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**ESSAYS ON POWER
AND CHANGE IN JAMAICA**

(2)
of

ESSAYS ON POWER AND CHANGE IN JAMAICA

Edited by
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and
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INTRODUCTION

The object of this collection of essays is to stimulate thought in the wider Jamaican society on a broad range of matters affecting present and future developments in Jamaica.

The essays represent a collection of research papers and commentary by Jamaican-based U.W.I. social scientists (staff and students) who are increasingly responding to the need to project their work and ideas beyond the confines of the classroom.

No attempt was made to orchestrate the material to reflect any particular ideology, point of view, or perspective. Nor did we attempt to collaborate to ensure any degree of consistency between the papers. It is obvious, however, that the authors share a largely socialist view of development in the country, although within that framework they differ substantially on goals, means, policy priorities and ideological beliefs. The essays therefore will attract a fair amount of controversy and debate within the socialist framework, and we have insisted on presenting this range of perspectives precisely with this objective in mind.

The materials are organised in two sections. These include a Political Economy section (Section 1), and a second section titled "Policies and Challenges for Change". The logic behind this ordering is our view that specific policy problems and issues can only be understood when set against a clear picture of the history, structure, and social relationships in which modern Jamaica is rooted. We therefore see the Political Economy section as highlighting and pinpointing the basic questions that must be asked about the direction in which the society is going and the paths by which we need to travel if real development and social justice are to be realised.

In the first section, we cover such diverse areas as agrarian class relations, patterns of ownership and control of economic forces, the nature of the ruling class, race and the national question, parasitic forms of capitalism, dependence and the management of foreign exchange, and the development of the trade union movement. Our hope is that the controversies raised in this section will provide a backdrop against which to assess the adequacy of contemporary policy directions now taking place in the society.

Our second section is equally far-ranging, but concentrates on policy issues that bear directly on many of the more important policy initiatives of the present PNP government which came to power in 1972. These papers include commentary on the more far-reaching government programmes, including Project Land-Lease, sugar co-operatives, bauxite, the minimum wage, worker participation, and price controls.

None of these commentaries or research papers is intended to be exhaustive, but rather to put on the agenda of public discussion from a left point of view some critical facts and evaluations regarding change and radical transformation in the society.

We have departed from the conventional academic practice of introducing these papers by lengthy theoretical or academic commentary since our intention is for the papers to speak for themselves and for the reader to arrive at his or her own assessment and judgment.

We view this as a first effort to be followed by more comprehensive studies and commentary which will hopefully enrich and enliven public debate and discussion on the challenges for change facing the society.

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Chapter 1

JAMAICAN ELITES: 1938 TO PRESENT

Introduction

Over the past fifty or so years, the concept of 'the elite' has come to occupy a prominent place in the body of political science theory. Although there have been many refinements and adjustments to the original meaning of the term, it is today taken to refer to functional, mainly occupational groups which have high status for whatever reason¹ in their various spheres of activity.

In terms of political science analysis however, the significance of the concept derives from its implications for an understanding of the scope and distribution of power in a society. For, in essence, the notion of the elite is predicated upon the view that in all societies all do not share to the same extent in the administration and government of the society.²

Briefly, power may be said to relate to the potential of the various actors in social relationships to successfully exercise their will. On a broad societal level this has relevance for the nature of the control over the state apparatus, and the interests which it operates to support.

Of necessity then, the analysis of power is often concerned with the identification of elites and leaders and discovering in particular the ways in which power is allocated between the different groups in society.³ In addition, the study of the size and structure of elites is useful in so far as it holds implications for the character of the distribution of wealth and other resources in society.

This latter point is particularly important in the study of the ex-colonial Third World countries where populations live in conditions of severe deprivation and in which political pressures urging rapid development have become paramount in almost every country. It is in relation to this urgent task of transformation of these former subject-colonial societies that Third World elites face their most serious challenge, one in which they stand to be judged by history as it will be enacted by the peoples of the Third World in their quest for a better life.

Our enquiry will therefore have a twofold purpose. First, to examine the impact of the de-colonisation process in Jamaica—the latter phase of which may be dated from 1938—on the structure, composition and roles of local elite groups in the society. Secondly, and related to the latter point, we are concerned (given the fact that after 31 years' universal adult suffrage and 13 years' constitutional independence some 22% of the population is unemployed and that functional illiterates number 50% of the population; in sum, that poverty and deprivation are rife) with the potential of these elites with respect to the processes of social change. At the barest minimum, developmental transformation would seem to entail not only an equalisation of distribution of wealth but also a more even distribution of life chances; that is, opportunities for the maintenance of good health, provision of education, and other social necessities.

There are other, perhaps more crucial dimensions of this transformative process, however. Some scholars have suggested that the colonialist system of plantation production bequeathed to these societies a chronic dependency syndrome characteristic of the whole population.⁴ These complexes, it is suggested, further operate with debilitating consequences for individual and societal development. Frantz Fanon,⁵ from a slightly different perspective, has suggested that 'the juxtaposition of the white and black races has created a massive psycho-existential complex'; in essence a gross pathology, reflected in feelings of white superiority and its obverse, the internalisation of inferiority complexes by black people.

Transformation of Caribbean societies besotted with a lengthy past of colonialism and racism must involve then, an attack on the psychological structures and patterns of relationships. Our concern here however, will be merely to inquire into the place of the elites in the face of these requirements.

The Stage in 1938

Jamaican society in the 1930s did not differ significantly from those patterns of relationships which had been established in the immediate post-emancipation period. Although the Morant Bay Rebellion in 1865 had ushered in a period of Crown Colony government designed to temper the excesses of the plantocratic oligarchy, as Munroe⁶ demonstrates, the change to pure Crown Colony rule "did not seriously interrupt the traditional patterns of plantation society."

M. G. Smith⁷ and others have used a typology of social pluralism to describe Jamaican society. In this view the society is stratified in three culturally distinct and institutionally separate layers: a white, a brown and a black layer. Each stratum according to their thesis maintains its own distinct set of value orientations, its own pattern of activity and a distinctive social relationship. One's role in the power structure then, or one's status position is determined primarily in this view by one's membership of these culturally defined strata.

Other writers⁸ have criticised this typology, arguing that it does not pay sufficient attention to the existence of a body of shared values among the supposedly distinct strata.

A middle view⁹ suggests in effect that the pluralist and the consensualist schemes should be used as Webberian ideal type constructs which may be approximated to a greater or lesser degree by any particular society. Without here embroiling ourselves in the "Great Debate" on this issue, it is generally agreed that the exigencies of the plantation system of production in the Caribbean has led to the evolution of ethnically diverse and culturally plural societies¹⁰ in which the extreme authoritarian character of the plantation served to ossify the stratification patterns of the society and led to the development of caste-like relationships between the strata.

At the pinnacle of Jamaican post-emancipation society then, there existed a relatively small white plantocratic elite who enjoyed high status and by and large exercised firm control over the economy. At the other end of the scale there existed a large, mainly rural, black population, devoid of formal political rights and living in impoverished conditions. In between these two strata there was a brown racially mixed group who, while not in a position as pre-eminent as that of the whites, were nonetheless able to achieve some measure of social mobility and enjoyed some measure of political power after emancipation.

As has been intimated earlier, Crown Colony government, far from restricting the plantocratic elite, served to underpin their dominance in the community. Indeed there was a strong commonality of interests between the local white plantocratic elite and the governor, who was their 'ceremonial head'.¹¹ So much so that the governor invariably identified the public interest with that of the local white minority. This state of affairs is starkly demonstrated by the fact that by 1933 only 5% of the public revenue was derived from income tax, while nearly 50% was received from customs duties which were passed on to the largely poverty-stricken populace.

The persistence of plantocratic power is, however, most strikingly reflected in the modifications to Crown Colony rule which were instituted in 1884 and 1895 and which provided for the re-introduction of elective participation in the colony's government. Such opportunities for involvement in legislative life were nonetheless severely restricted by the electoral franchise which allowed only those possessing a 'clear annual income . . . arising from lands' any chance of effectively influencing government.¹²

In 1938 then, authority with respect to political decision-making rested firmly with the foreign and local white groups. Ultimate authority rested with the British Governor who operated on the advice of his Privy Council though he was 'authorised to act in opposition to the advice and decision of the Privy Council, if in any case it shall appear right to do so.'¹³

In any case, the Privy Council at that time was appointed by the Governor and included the Colonial Secretary, the Commander of the Colonial Forces and the Attorney General in addition to the other nominees who were all members of the planter and merchant groups and were, with one exception, all white. Of the five nominated members in 1938 three were representatives of large commercial holdings and another, S E. Morris, was a sugar planter.¹⁴

The composition of the Legislative Council reflected also this fusion of the interests of the foreign imperial power and local capitalist groups. Provision was made for the representation of five *ex-officio* members—they being the heads of the central administrative agencies of the government. In addition, there were nominated members who were in the main either senior officials of the Administration, or prominent personages of a 'conservative' bent of mind.¹⁵

The 'electives' in the Legislative Council represented however a somewhat different category. For one thing, among the fourteen elected members of the Council, there were proportionately fewer representatives of the dominant planter and business elite, though to be sure they were represented by persons such as George Seymour and Rudolph Ehrenstein, who were both merchant-planters.

Nevertheless, the franchise was so restricted that in 1935 only 7% of the population¹⁶ were registered as voters eligible to participate in the elections which had been allowed by the constitutional reforms of 1884 and 1895. Despite this, the growth of the peasant class and the expansion of educational opportunities since emancipation, though limited, were such that black and brown professionals and small businessmen were able to dominate the electoral contest and played significant roles in the Legislative Council.

The split between the 'officials' and the 'electives' in the Legislative Council was reminiscent of the Westminster diarchic model of government. Indeed it is arguable that it set the stage for the full implementation of the Westminster pattern which was to take place later.

The electives, or more particularly certain personages among them, though devoid of any responsibility for administration, focussed much attention on the performance of the government and were often able with the aid of such notable figures as J. A. G. Smith to arouse much public interest in governmental affairs.

It has been argued¹⁷ that the 'external control of the colonial economy constrains and restricts the development of a powerful capitalist class'. Thus, unlike the case of the classic Marxian formulation where a concentrated and powerful capitalist class exerts control over the state so that it, in effect, becomes the 'managing committee' of their interests, it is suggested that the 'local and colonial capitalist is subordinate to the state bureaucracy and dependent on its goodwill for survival.' This was certainly the case in Jamaica where not only was the capitalist class unable to supersede the authority of Whitehall as represented by the Governor, but was mainly dependent on government subsidies and imperial guarantees to ensure their continued solvency in business, especially in sugar.

Nevertheless, this should not obscure the fact that this white business group was able to wield by far more influence over the governmental process than any other group in the society. To begin with, there was a distinct commonality of interests between the imperial power and the planters which accounted for their domination of the nominated offices. Furthermore, racial and cultural as well as economic ties also cemented this unity.

What is more, the business class was able to use their influence in the society to put pressure upon the British administration, whenever these policies seemed to adversely affect their interests. Thus, in the words of Kerr-Jarrett—a large-scale planter and one-time Custos of St. James—the Jamaica Imperial Association was formed (in 1917) to 'supplement government because of government's inadequacies'¹⁸ and the control of this group over the Press was also a great asset to them. Often the *Gleaner* and the J.I.A. worked in tandem to influence governmental policy. A notable example of this was their opposition to Governor Probyn's efforts in the immediate post World War I years to introduce income tax and other revenue-gathering procedures: the butt of unrelenting opprobrium of the *Gleaner* and the J.I.A., the Governor was literally hounded out of office. As the *Gleaner* expressed in 1924, 'patience and loyalty underwent terrible strain during the last six years.'

Again in 1935 the J.I.A. underscored its opposition to increased taxation by expressing active opposition to the passage of the Loan Bill which was designed to raise revenue from customs and the Native Industries Bill which it was claimed would give an unnecessary and detrimental monopoly to the then nascent, mainly Jewish local manufacturing class. The planters and merchants who were

dependent on regular supplies of cheap foreign goods considered their livelihood threatened by these newly ascendant industrialists like O. K. Henriques who were at that time seeking legal monopolies for their enterprises.¹⁹

These patterns of influence and power operated over the years to the detriment of the majority of black people in the country. Inequities were rife. In 1930 for example it was estimated that 210,236 out of a total of 213,395 land holdings were less than 50 acres. What this meant was that 56% of the total acreage was in properties of an average size of almost 1,000 acres and was owned by 1/1800 of all property-owners.²⁰

From another perspective, the extreme deprivation of the mainly black working population is reflected in the fact that in 1935 only '18% of the entire population earned any income at all while 92% of those who were employed received less than 25 shillings per week'.²¹

The gross inequalities in the distribution of wealth and income meant that there was always ample fuel with which to stir the fires of discontent among the dispossessed. Indeed, a distinctive feature of the inter-war period in Jamaica was the proliferation of groups and organisations intent on gaining an influence over the political processes. Perhaps the best known is Marcus Garvey's UNIA and later his People's Political Party. Other community organisations were also active, such as the Reform Club which was an off-shoot of Garvey's organisation and which also focussed on themes of racial oppression.

There were also organisations which addressed themselves to particular sectoral interests but which were also instrumental in adding to the burgeoning political ferment which was developing in the throes of the world-wide depression of 1929-30. Organisations such as the Jamaica Agricultural Society, the Jamaica Union of Teachers, and the Banana Producers Association were important in this regard.

Later in the decade other organisations, for example, the National Reform Association led by N. N. Nethersole, a practising solicitor, and the Jamaica Progressive League, played a prominent part in political agitation. There was also in this phase a vibrant trade union movement developing at first under the leadership of A. G. S. Coombs, though later he ceded his position of President of the Jamaica Workers and Tradesmen Union to Alexander Bustamante.

The fact is that by 1938 the Elected Members Association, which had previously been one of the main sources of criticism of the government, particularly while it had been headed by the popular black legislator J. A. G. Smith, had been discredited in the eyes of the population.

For one thing, the electives had been unable to act as a cohesive grouping, there being a wide range of ideological positions and interests represented among its membership. Secondly, the largely conservative bent of even the more outspoken and radical members weakened their credibility with the public. For, as Munroe reveals,²² Smith for example disavowed any interest in establishing responsible government in the island. In his view, 'no sane person could have that in their mind.' Garvey, on the other hand, a popular hero, had included an explicit demand for self-government in his party's manifesto for the 1930 elections.

The fact is then, that by 1937-38, the focus of political attention had shifted from the Legislative Council to the union platforms being occupied by Bustamante, Coombs, Hart, Buchanan and the like, and to the debate being carried on in the Press²³ and at the street corners.

By 1938 the lid had blown, and in May of that year strikes and public disturbances erupted across the island. In the aftermath of these disturbances, the two streams of political discontent which had been growing in the island coalesced to form a broad-based potentially nationalist movement. On the one hand there were Bustamante, Coombs, Buchanan and the other labour leaders; on the other there were the middle class decidedly Anglophile professionals—men like Nethersole and N. W. Manley. These two streams formed the political 'counter-elites' of the period.

The events of 1938 and their effects on Jamaican political life have been well documented and need no rehearsal here.²⁴ In brief, the cataclysms of May 1938 set in motion a set of events—includ-

ing the formation of a political party in 1939, the People's National Party, and ultimately the institutionalisation of a Westminster type of party system; the appointment of a Royal Commission and the initiation of intense political activity among the broad mass of the people which culminated in the promulgation in 1944 of a New Constitution granting universal adult suffrage and providing for increased local responsibility for government.

The New Constitution introduced a bi-cameral legislative arrangement retaining the Legislative Council as a nominated body and providing for the establishment of a separate House of Representatives. There was to be in addition an Executive Council consisting of the Governor, three *ex-officio* members, two nominees of the Governor, and five of the elected representatives. The Governor still retained authority in issues of 'paramount importance' to override the decisions of the Executive Council. What is more, the elected representatives, though they were assigned to oversee particular portfolios, did not have any administrative responsibility. As Munroe remarks, 'the New Constitution hardly altered the old situation where foreign heads of department have been running the country.'²⁵

The PNP of 1944 was the party of the reformist middle classes. This is reflected in the predominance of the professionals—lawyers, teachers, and doctors—in the leadership roles of the party. For example, of the PNP's 19 candidates, almost all had received secondary education, whereas for the whole island only 28 persons of every 1,000 received these benefits.²⁶

Bustamante's Jamaica Labour Party, like his union, was mainly an extension of Bustamante's dominating personality. While it drew its support from the poor labouring people, leadership was quite similar in origins to that of the PNP. Nevertheless, it could not be characterised as a middle class party, for the primary feature of its existence was Bustamante's domination. As he himself put it, 'I will be the boss of my party. If any member goes to the Council and deceives me, he shall have a hot time for I will be boss. I will direct you how to vote and for whom to vote.'²⁷ Indeed Bustamante's split with the PNP in 1942 may be explained in part by the demagogic bent of his character, though undoubtedly other forces, not least imperial pressures, were at work to defuse the solid nationalist phalanx that had developed in the wake of the 1938 rebellion.

The white economic and business elites also made an effort in 1944 to compete for the 'power' stakes. They formed the Jamaica Democratic Party, which was dominated by such representatives of the Jamaican business world as H. G. DeLisser and Abe Issa. The results of the elections however put once and for all the quietus on any hopes that this elite may have had of maintaining their unrestrained political dominance after the introduction of universal adult suffrage.

All the JDP candidates lost their deposits at the polls. As Munroe suggests, however, 'the failure of the JDP marked the beginning of the gradual shift of the economic elite from the street corner meeting to the caucus room'.

The PNP was only slightly more successful than the JDP. Only 5 of its candidates were elected. It seemed as if Bustamante had been successful in his efforts to take advantage of the 'anti-brown' bias of the poor mass of black people. His assertion that self-government under the PNP 'would mean brown-man government and the continuing enslavement of the masses' had helped to win him the 1944 elections.²⁸

While it may be argued that 'the JLP was undoubtedly the body representative of the active section of the working class'²⁹ the fact is that decision-making power in the party reflected mainly the whims of Bustamante or otherwise rested mainly with his middle class cadres.

Of the five JLP members of the Executive Council, for example, two were solicitors, one was a teacher, another, Mr. (later Sir) H. E. Allan, was a successful businessman. In addition, there was Bustamante who, while not descending from the plantocracy as some would have it,³⁰ was nevertheless of mixed race and of moderate financial means. Certainly not typical of the dispossessed black people.

What is more, the lack of an organisational structure in the JLP militated against the continuous expression of popular demands through the party apparatus.

In this sense, then, the JLP victory, despite the rhetoric of Bustamante, represented a further victory for the middle classes of professionals in their efforts to have a voice in government.

What is more significant is the fact that while the constitutional changes did represent advances for the proponents of responsible government, they were underpinned by a 'gradualist notion of political development'. Thus, the Governor retained his power of ultimate veto and the appointment of nominated members to the Executive Council and to the Legislative Council ensured that there would not be too sharp a break with past patterns of government.

All the nominated members of both Councils were representative of business and proprietary interests. In the Executive Council for example were O. K. Henriques—representative of a rising Jewish family—and R. B. Barker, a resident Englishman with considerable business interests. Not only were both these people also members of the Legislative Council, but here they were joined by such personages as Douglas Judah, a solicitor with widespread financial interests in business; Robert Kirkwood, an agent of the multinational West Indies Sugar Company; and Allan Campbell, also representing the sugar interests.

It is being suggested then, that the promulgation of the New Constitution only marginally affected the capacity of business and commercial interests to influence policy. Their close alliance with externally based imperial interests, their access to and control over powerful pressure group organisations,³¹ as well as their racial affinities, all gave them an advantage *vis-a-vis* other classes in the society, to influence policy.

What is interesting, however, is the extent to which the formerly ascendant planter interests were losing ground to an upwardly mobile group of persons, representative of merchant and manufacturing interests. Whereas in 1938 almost all the nominated members of the Legislative Council who were not government officials were representative of landed interests, no less than 6 members of the Council in 1945 were representative of these newly ascendant manufacturing and merchant interests.

The changes in influence patterns were reflective of shifts in the relative importance of the various sectors of the economy. Prior to World War II, the Jamaican economy was based primarily on agriculture which in those years consistently provided more than 40% of the GDP. As a result of a variety of factors, however, this sector had been in decline. Indeed, it was the failure of the agricultural sector to provide for the growing population that laid the 'foundation for the problem of chronic unemployment' which reached its peak in the late thirties.³² So great had this decline been that although the population had increased steadily, agriculture which occupied 45% of the labour force in 1943, was employing only 39% in 1960.

The manufacturing sector, on the other hand, was experiencing growth in the region of 7% per annum. This increased activity of the manufacturing sector was accompanied by an increase in the proportion of the labour force employed. In 1943 for example, 11.7% of the labour force was so employed. This figure had risen to 14.8% by 1960. The growth in manufacturing moreover stimulated growth in the construction and commercial sectors of the economy.³³

The role of manufacturing interests was likely to have been even more critical than these figures imply. For, as agriculture failed to meet the demands for increased employment in the society, the potential of manufacturing enterprises as generators of employment achieved an even greater recognition in planning than the size of the sector at the time indicates. The growing importance is reflected in the spate of incentive legislation which was enacted between 1949 and 1956 in an effort to rapidly expand the manufacturing sector by attracting foreign capital.

It would seem, then, that the constitutional changes of 1944, while they did afford a greater measure of political authority to the newly ascendant professional elites, only marginally affected the exercise of power in the society. Foreign heads of civil service departments still continued to be the ultimate sources of policy; there was, so to speak, the shadow of responsible government without the substance.

What is more, the changes did little to affect the close alliance between the economic and the foreign administrative elites. Often these representatives of economic power were recruited as nominees of the Governor into the policy-making establishment. Despite the albeit tentative entry of the brown and black middle classes into the confines of the political elite, differences of race, education and culture would have militated against the lessening of the social distance between these traditional elite groups and the 'new' professionals.

Often the local whites had attended Oxford or Cambridge universities as had their counterparts in the Colonial Service. In turn, the white colonials, upon arrival in Jamaica, were immediately recruited into the social pattern of local high-status groups, belonging to the same exclusive clubs—the Jamaica Club, Liguanea, Constant Spring—and participating in the same rounds of social activities. Such a life style was usually beyond the reach of the rising black middle classes, who, though they shared office with the others, were not completely accepted as social equals.

This of course did not apply to all the members of the 'new' elite. Manley of the People's National Party for instance, and Nethersole were both Oxford scholars and had become members of some of these exclusive clubs.³⁴ Only relatively few of the 'new' political activists were in this position however. None of the elected members of the first Executive Council for example were in such a category.

What is certain is that there was little actual improvement in the living conditions of the deprived majority of the Jamaican people. Indeed, there was continued militancy among the workers, and in 1947 the situation at Frome in the west of the island was 'approaching the conditions that prevailed in 1938'.³⁵ Unfortunately, however, the division of the formerly united nationalist movement meant that a considerable degree of organised internecine quarrelling began to take place among the black working population often erupting in violence.³⁶

Perhaps the most significant set of events of the period was the emergence of an urban manufacturing group, close to the centres of power and who, unlike their plantocratic predecessors, were not as dependent on imperial preferences and patronage for the maintenance of their livelihood. Rather, these manufacturers could benefit from the closure of Jamaican markets to foreign goods and thus there was, in theory at least, room in their minds for some accommodation to these new 'nationalist stirrings'.

1949-1962. Apprenticeship

The period 1949-1962 saw a gradual extension and deepening of the processes whereby governmental responsibility was transferred to local hands. By a series of constitutional modifications beginning in 1953, elected representatives were, by 1957, exercising full internal self-government and operating a ministerial system.

Allied to this, there was also an extension of local responsibility to include control over the administrative apparatus of the government. By 1956 then, the year before full internal self-government status was attained, there were 9 ministries under local control with all excepting one of the Permanent Secretaries being of local origin.³⁷

The changes in part represented a further victory for the middle classes, though to an extent they were the result less of their forceful agitation than of the predilection of some sections of the British Colonial Service to improve administrative efficiency.³⁸ Furthermore, the impact of these changes on the structure of the ruling elite was limited by the lack of cohesiveness among its middle class members.

For one thing, there was distrust felt by many of the new political elites towards the bureaucracy, the more prominent members of which had had a long history of association with colonial government and had failed to develop much empathy with the nationalist sentiments which had become pre-eminent.³⁹

In turn, the creation of the full-fledged ministerial system in a sense eclipsed the power of the administrative elites who had exercised in large measure ultimate policy-making functions under the

colonial regime. For as it has been said, 'colonial politics are essentially bureaucratic politics'.⁴⁰ This is particularly true in the highly centralised Crown Colony type regimes which existed in Jamaica.

There was the additional problem as well of a division of local interests, *vis-a-vis* the requirements of further decolonisation as a result of the centrality which each of the middle-class-directed parties ascribed to the goal of securing electoral victories. This set in motion a dynamic whereby this constant jockeying for electoral pre-eminence was extended to all areas of political life including the administrative processes, hindering in large measure efforts at effecting a far-reaching transformation of the society.⁴¹

Despite these cleavages between the middle class groups in the society, the fact is that during the 1950s with the increased 'stress on economic development' and the increasing extension of government functions to meet these demands, there was a considerable growth of the public sector, a dramatic rise in public expenditure, an expansion of existing departments and creation of new public agencies including public corporations and regulatory commissions.⁴²

This rapid expansion of the public bureaucracy which attended the processes of constitutional development was in part also the consequence of the considerable increase in economic activity which was experienced in the fifties. Whereas GDP had been some J\$137 million in 1950, by 1961 it was estimated to have risen to J\$461.6 million. Indeed, between 1950 and 1968 Jefferson suggests that there was an average rate of growth in the region of 7% per annum. This was among the highest among the underdeveloped countries.

In the main, these levels of growth were accountable primarily to the establishment of a bauxite mining industry in the early fifties, and to the spin-off effects of these developments in other areas of the economy. The net result, however, of these developments was the consolidation of the power of the new manufacturing and merchant-based economic elites.

In fact, there was a five-fold increase between 1950 and 1961 in the value of the contribution of the manufacturing sector to the total GNP. Similar increases took place in the construction sector and in the distribution sector. This impelled a rapid growth in the power of the commercial and manufacturing elites. A measure of their increasing influence may be gleaned from the fact that by 1970 undistributed corporate profit accounted for 70% of Gross Domestic Savings. An idea of the structure of ownership is illuminated further when it is recognised that only 0.4% of all corporations make this contribution to National Savings. More importantly, these corporations, according to one estimate, are under the control of 21 families.⁴³

Although the colonial authorities had been hesitant at first to underwrite a programme of industrial development, the increased public demands for additional 'welfare inputs' into the political system meant that by 1951 the idea of planned development with governmental encouragement had been accepted even by the Jamaica Labour Party which had been rigid in its adherence to *laissez-faire* economics. The implementation of incentive legislation and the formation of an Industrial Development Corporation in 1951 during their term of office underscored their determination in this regard.

Simultaneously with these developments, the commercial and manufacturing elites, having come to terms with their defeat at the polls, had begun to wend their way into influential roles in the political parties. This was made all the easier because of the failure of both political parties to implement any continuing programmes aimed at mobilising the broad mass of the population.

It is not surprising then, that 'in deciding on a policy for industrial development, the government made a firm commitment, entrusting the task to the private sector and limiting the role of the public sector to the provision of infrastructure and the development of a climate favourable to enterprise and in which risk-taking would be less hazardous'.⁴⁴

Not only were these new elite groups able to influence policy indirectly as a result of monetary donations to the parties, but they were often given direct access to administrative and policy-making functions by their appointment to statutory corporations and boards, and sometimes to

positions in the executive arm of the government. Thus, as Jones notes, there was a basic similarity in both parties evidenced by 'the proportionately large number of representatives from the mercantile community, leaders of business and industry' who were appointed to these statutory boards.⁴⁵ What is more, there was 'a serious multiple-directorate system', whereby a small number of these elites exercised power in a multiplicity of functional areas. The operational principle underlying these conditions seemed to have been actuated by the traditional elitist distrust of mass mobilisation, and by the anxiety of the parties to placate the fears of the conservative business elites—'the rich Jamaicans who in the commercial, financial and industrial world keep in with both political parties'.⁴⁶

A measure of the influence of these groups may be seen from the fact that in 1956, for example, 6 of 10 members of the Agricultural Development Corporation (a government corporation) including the chairman and vice-chairman, were representatives of these groups. Roughly the same situation existed on the Banana Board where 5 of 9 members were among the largest operators of banana holdings in the island. The net effect of these patterns was the exclusion of views of some of the more deprived and powerless sections of the population from the policy-making forums. The consequence of this was the retention by and large of the inequitable structure of ownership and distribution which were inherited by the 'new' local political elites.

By 1961, this group of capitalists had formed distinct alliances with both political parties. N. N. Ashenheim, for instance, a representative of one of the most powerful families, was a member of the JLP's executive council and a Member of the Legislative Council. On the other side of the House, men such as Douglas Fletcher, a lawyer with significant business interests, was Leader of Government Business in the Legislative Council.

The extent of the influence of the local economic elites is strikingly demonstrated by the fact that it was at the instance of one L. E. Ashenheim, in the face of the initial opposition of the leaders of both political parties, that clauses relating to a Bill of Rights including property rights were entrenched in the Jamaica Independence Constitution. Their argument was that such an entrenchment was necessary to placate the fears of the foreign investors⁴⁷ who were considered to be indispensable to the country's development programme.

Indeed, the paradox inherent in this situation was that 'the political elite, themselves thrown up in part by a spontaneous rebellion against social conditions, had set in motion economic forces' which now seemed again to dominate them. The economic elite who had been rejected so decisively by the newly enfranchised black population, had by 1962 managed to reconsolidate their control over the state apparatus.

In a sense, the grant of universal suffrage in the wake of the popular struggles of 1938 changed the character of the government in a decisive fashion. Some measure of mass participation, though marginal, had been legitimated. The way was paved constitutionally for the acquisition and exercise of power by the black and brown sectors of the population. Control over the state apparatus brought with it the capacity to effect transformation of the society by mobilising the populace and transforming the pathological patterns of social relationships which had been wrought in colonialism and slavery.

Instead of transformation, however, the progressive advances toward 'responsible government' brought in their train a return to old patterns of relationships. Ironically, it appears that commercial groups increased their power with the advent of self-government. Previous to that, executive and administrative authority rested ultimately and firmly with the Governor who was answerable to Whitehall. Economic elites during Crown Colony rule had to be content with playing mainly advisory roles. The political centre was in Whitehall, and decisions were made mainly in the context of a larger set of British Government interests.

The willingness of the Jamaican political parties to accommodate with these ascendant capitalist interests meant that for the first time since Crown Colony rule the economic elites were able to

exercise direct political authority, as they were now able to do, because of their control of various administrative and executive positions in the government.

Before enquiring further into the failure of the new elites to promote social transformation, we should examine some of the directions which have been followed since the attainment of constitutional independence and full sovereignty in 1962.

The attainment of constitutional independence did not usher in any significant new changes in Jamaican life. Government continued in much the same manner as it had done in the years immediately prior to full independence. Admittedly, independent status did bring with it additional responsibilities, notably in regard to the local control and manipulation of foreign relationships. But the complete acceptance of Westminster political institutions in a social and economic context vastly different from that in which these institutions were formed, is a testament to the success of British paternalistic colonial policies, and underscored the Anglophile character of the local political class.⁴⁸

While the period since 1962 seemed to be mainly an extension of the social and political patterns established in the earlier period of political apprenticeship, development during this period also brought into sharp relief the character of the social predicaments arising out of this failure to radically transform the society.

In terms of economic growth, the GDP at factor cost increased from J\$451.508 million in 1962 to J\$725 million by 1971. Although the rates of growth in this period were not as spectacular as they had been during the early days of the bauxite industry, they nevertheless compared reasonably well with developments elsewhere in the ex-colonial world.

These aggregate data give a rather incomplete picture, however. For one thing, they do not inform us as to the impacts of population changes that would be revealed in comparable per capita figures, and more importantly, they do not inform us as to the character of the structure of income distribution in the country.

Figures published just prior to independence indicated that income in Jamaica was very unevenly distributed, with 10% of the population enjoying almost half of the national income.⁴⁹ More recent indicators suggest that these patterns have not altered drastically, and if anything patterns of distribution have become more asymmetrical.

In respect of land ownership for example, in 1954 farms less than 5 acres in size accounted for 69.9% of the farms, but only 13.9% of farm acreage. On the other hand, farms over 500 acres in size accounted for 0.17% of all farms but occupied 40% of the acreage.

By 1968 however, distribution of land was still more uneven. Farms less than 5 acres in size had increased in number so that they now represented 78.0% of the total number of farms. There had only been 1% increase in farm acreage, however, from 13.9% of total acreage to 14.9%. This suggested an increasing fragmentation of small farm holdings. Farms over 500 acres, however, which accounted for roughly the same share of farms, increased their share of reduced farm acreage from 40% to 44%.

As has been intimated earlier also, the control over the corporate business sector was vested in a small group of 21 families. This general pattern is also true for most of the business sector where initial research shows control to rest with a relatively small cohesive ethnic minority group.

These conditions were in keeping with the patterns engendered during the previous decade and were reflected in an increasing economic elite presence in the state and party political institutions. From the time of the first JLP government which assumed power slightly before independence to the present PNP government, members of the new economic elite held prominent executive and administrative positions. Among them, the late Ken Jones—whose family owns land well in excess of 10,000 acres in the island's east end; J. P. Gyles, Neville Ashenheim—all held ministerial office at various times. In addition, as has been noted already, economic elites wielded predominant influence in some of the more critical statutory bodies established by government.

The victory of the PNP in 1972 after 10 years in opposition and their revival of the philosophy of 'democratic socialism' have failed to alter significantly these patterns of elite influence. Members of influential business groups occupy not only crucial Cabinet positions (e.g. Matalon) but also occupy pre-eminent posts on statutory boards such as the Urban Development Corporation, the Agricultural Development Corporation, Jamaica National Export Corporation and the Jamaica Industrial Development Corporation—to name but a few—(e.g. Matalon, Issa, Graham, etc.).

To be sure, there were other interests represented on many of the statutory bodies. The pre-eminence of the business group, however, rested on the small size and cohesiveness of the group, their command over political resources (i.e., ability to dispense patronage), their structural closeness to decision power, their widespread influence on various sectors of decision-making establishments, as well as their sharing of racial and social attributes with members of the political elite.⁵⁰

A further development which occurred during the period under review concerns the continued expansion of the scope and size of public bureaucracy. Not only did additional responsibilities for, say, foreign affairs and defence devolve upon the government with independence, but the dynamic of planned development and the ethic of governmental involvement in social processes required a continued expansion of the functional areas under the control and direction of the public bureaucracy. Of late, for example, government has become directly involved in the provision of goods and services. As a result, they have bought farms and manufacturing industries, and even operate an airline.

This expansion of the Public Service has again given the fillip to the development of the professional sector of the middle classes. Indeed, the Civil Service has continued along with the political parties, to be one of the main avenues for entry to the political elite open to the formerly low-status, dispossessed and largely powerless black peasant and working-class personages.

Although constitutional developments in the fifties and sixties did engender significant changes in local elite structures and did offer significant opportunities for upward mobility mainly to the brown sector of the population, and to some of the formerly peasant black people, the changes wrought did not nearly go far enough toward transforming the colonial social structures and improving the debilitating living conditions in which most of the population were forced to exist. This was brought into stark relief in the 1960s.

The failure of the agricultural sector of the economy to engender development, and the increasing alienation of locally owned land by the newly arrived bauxite companies set in train a rural-urban migration. In 1943 for example, 19.26% of the total population resided in Kingston and St. Andrew. By 1960 this figure had risen to 26.06% and in 1970 had risen further to approximately 30%.⁵¹

The net effect was the creation of a massive urban conurbation plagued with unemployment and debilitating social conditions.

Five years after independence, in a survey of one of the main working-class areas of the city, it was found that in 2 out of every 3 households the entire family lived in one room. In addition, out of nearly 5,000 dwellings less than 50 had water piped into the house. In 1973 it was estimated that the unemployment rate for the whole country was in the region of 22%, the comparable figure being considerably higher among women and young people.

Ironically, these conditions were very similar to those which existed a generation earlier and which had ignited the cataclysms of 1938. Not surprisingly then, Jamaica in the sixties experienced a series of small riots and growing levels of unrest among the dispossessed black people.

Disaffection focussed not only on the need for an economic restructuring of the society as was expressed by some of the radical university groups and independent unions, but sought to tie these demands to larger issues of racial oppression and psychological alienation which had been engendered by colonialism. Hence, the popularity of the Black Power doctrines, and the quite exceptional growth of the Africanist-oriented Ras Tafari movement⁵² in the closing years of the sixties.

The obverse side of the rise of the counter-ideologies was a growing dissatisfaction with the political institutions inherited upon independence, and a growing disenchantment particularly among low-status groups with the nationalist symbols which had been contrived by the new political class.⁵³ The wheel of 1938 had come full circle.

Conclusion

It has been argued that the hallmark of our epoch is the pervasiveness and continuing character of the processes of change which are having a bewildering effect on the world's population.⁵⁴ Social change is now the explicit goal of most Third World governments.

~~Transformation of society, however, may be viewed from two different yet connected vantage points. Objectively, change involves the modification of institutional patterns and relationships in society. It involves a redefinition of the relationships among groups and an alteration of the material conditions of life enjoyed by the members of society.~~

X It does also, however, — and this had been recognised by Marx as well as other more recent 'psychological-type' theorists like Fanon — involve a subjective dimension. There is in fact a symbiotic relationship between man's inner consciousness and the social setting in which he operates.

From yet another perspective, change may be considered in terms of its extensiveness. Change may be sharp and all-encompassing or it may otherwise be gradual and limited to select areas of social life. Nevertheless, it is a truism that society is a dynamic phenomenon, in which some measure of change is always taking place. The question remains, however: how significant are these changes and for whom?

What seems clear is that after some 30 years of varied if often limited forms of self-government, the objective living conditions of the majority of the dispossessed black people have improved little. Admittedly the changes have brought in their wake increased opportunities for middle-level employment and paved the way for the entrance of many blacks into middle-level occupational groups, thus setting in train a movement of upward mobility in the society and leading to an enlargement of the middle classes.

This had the overall effect of blurring the lines of the rigid racial patterns of stratification which had existed prior to World War II and giving increased salience to the class divisions which existed among the population. This is not to say that racially defined questions ceased to be relevant, but rather that their integration with economic issues became more complex.

Another significant effect of the constitutional developments during the period under review was the expansion of the elite class and the admission to this class of a whole new range of local groups. Despite this, however, the impact on the living conditions of most people was negligible. Nor were there any wide-ranging modifications of the social institutions formed first of all in slave society and inherited from colonialism.

In part, the unwillingness of the new political elites to effect meaningful institutional changes stemmed from their decidedly Anglophile bent of mind. As late as 1967, Norman Manley was declaring that he made 'no apologies for adopting unchanged' the Westminster style of government.⁵⁵

Again, allied to the above point, was the failure of both parties after the 1944 elections to engage in any thorough on-going programme of popular mobilisation. Indeed, as Munroe shows, after 1952, when the PNP expelled its trade unionist core, both parties ceased any pretence they may have had to being genuine popular parties and took on instead the character of 'hero-crowd' agglomerations. The lack of any popular input of policy-making coupled with the Anglophile 'white-bias' of the elite groups, meant that it was not surprising that there were no radical departures from the largely static approach to government which had been inherited from the British colonialists.

For the future, the capacity of the elites to engender change would seem to hinge on their capacity to democratise the decision-making structures of the society to allow for participation by groups of people who traditionally have been denied these opportunities, but whose capacity for

innovation is enhanced by the fact that they—less than their more schooled counterparts—have not been as enshrouded in the largely Anglophile school system, and with the cultural inhibitions which such education brings.

Transformation would seem also, at minimum, to involve some attempt to demolish the exploitative and inequitable structures of ownership which have been developed and consolidated in the past years.

In any case, should the current elites, whatever their ideology, prove unequal to the task, the contradictions in the society which already seem to be producing vibrant counter-cultures and possible counter-elites will no doubt be sharpened and portend in time a new series of cataclysms which, destructive though they may be, hold out the 'better' which it is said, in popular parlance, 'must come'.

PETER PHILLIPS

FOOTNOTES

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25. T. Munroe, *op. cit.*, p. 47.
26. *Ibid.*

27. qq. in Eaton, *op. cit.*, p. 84. Bustamante made this statement during one of his numerous addresses to public meetings.
28. See Eaton, *op. cit.*, p. 95.
29. T. Munroe, *op. cit.*, p. 37.
30. cf. George Eaton, *op. cit.*
31. cf. E. Jones, "Interest group bureaucracy and public policy." **Journal of Behavioural and Social Sciences**, Vol. 20, No. 4, Fall 1974.
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Chapter 2

AN INTRODUCTORY APPROACH TO THE CONCENTRATION OF POWER IN THE JAMAICAN CORPORATE ECONOMY AND NOTES ON ITS ORIGIN

Introduction

In any assessment of the nature of the development process in post-colonial countries, one of the major concerns is the absence of an important entrepreneurial class from the majority groupings in the society.

On the contrary, most studies have revealed the presence of a small elite who not only provide the entrepreneurial skills [1], own the majority of the resources but who also exercise a disproportionate influence on the political decision-making.

In the Caribbean against the background of the plantation economy we have some understanding of why this is so; without, however, more than a minimal awareness of the existence of this group and the specific ways in which they exercise control.

Also, the nature of the control and the areas of decision-making the elites dominate is still to a great degree hazily known.

So that to date a sort of intuitive focus and understanding of the operations of an entrepreneurial elite is achieved without the empirical rigour necessary to establish the identity of the entrepreneurial class or the dynamic involved in their evolution.

It is only recently that Caribbean social scientists have been devoting more than peripheral attention to the nature of power exercised by these elites.

Nunes has said "In the Caribbean an empirical analysis could reveal a high concentration of ownership in a small group near the top of the social structure; it would also reveal extensive overlapping directorates such that power positions were in fact distributed among a small number of actors. [2]"

This study is designed not only to provide empirical support for such an assertion but by outlining the origins and development of such concentration in Jamaica, in a particular sector of the economy, the corporate sector, gives some appreciation of the forces which characterised its emergence.

Such a qualification is not as restrictive as it would appear at first sight, for the corporate sector as will be subsequently shown is one of the primary areas of economic activity and the most visible.

In a sense it will further illustrate the dynamic and evolutionary relationship between power and colour and the plantation economy.

Evolution of the Corporate Economy

In that it is the most recent development in organised entrepreneurship, tracing its evolution serves to illuminate and highlight the social and political climate which favoured its emergence and that of the elite.

It is the contention of this study that the concentration of power and control of the corporate economy lies in the hands of minority ethnic elites and is mainly dispersed through 21 families and their interest groups. 21

The ascendancy of these groupings—Jews, local whites, Syrians and Chinese—closely followed and in some ways anticipated the transition of the plantation state to independent nation.

Closely allied with the Colonial Governments, the groups' early genesis came from the plantation system, some owners of large plantations, others engaged in a tradition of import-export trading and ancillary commercial activities like insurance while others pioneered early industry of soft consumer goods and some heavy engineering. Opportunities for advancement of their own economic interests were generally pursued more through chance than choice, but once seized were thoroughly exploited.

For example, the departure of the United Fruit Company after the war made land available in sizeable quantities for those who could purchase.

Similar opportunities were available with the entry of large foreign interests where local elites were content with and often encouraged in minority ownership of a substantial nature.

Enough though to ensure the unequal partnership between foreign and local capital and favourable concessions for the new industries through incentive legislation. As the main beneficiaries of the economic system, self-interest promoted a common bond of self-preservation among these groups.

They intermarried, usually arranged to keep family wealth intact, occupied important roles in major organisations of the state, enjoyed an unusual intimacy with the law and legal institutions and played an important role in their development. With the island's independence in 1962, the situation remained unchanged. The logic which united families, professional and financial interests and occupation of important institutional hierarchical roles continued.

Either exerting their beneficiary interests on behalf of large foreign interests or training their heirs in new professional fields like business administration, engineering and accounting, the family groups subtly retained their economic control and in some cases augmented it.

This is not to suggest that the strategies were planned in any consistent fashion to cope with a changing society, for in many ways these changes were predetermined, if continued control over the national economy was to be maintained.

The openness of the economy, the need for foreign and local capital, the need to create new alliances with the emerging and politically potent bourgeoisie and the necessity of accommodating with a growing nationalist climate brought the public corporation into being.

And it could have been easily predicted, given the framework within which institutional business existed it was only a matter of time before it paralleled that of the advanced capitalist state.

And the corporate firm is not only a complex evolution of power, property and the law but its function as a device for concentration of ownership and control has been noted by the turn of the nineteenth century by a variety of authors (Thorsten Veblen, Max Weber, and V. Lenin).

By the use of this type of economic institution the families are able to concentrate their power and ownership. When there are family ties between the principal actors in the corporation's activity then the potential for exerting and exercising concerted power is enormous.

Perhaps it is reasonable to ask at this stage why so little attention has been paid to the importance of economic power and business environment in West Indian thought and literature.

Two reasons can be suggested. On the one hand, there is the inadequacy of records and secrecy of data and regrettably a basic ignorance of the importance of the business enterprise and processes, and on the other hand a not uncommon orientation towards a macro-perspective view of the economy which can be considered in traditional economics as "value free" is a result.

This sort of attitude is not exclusively Caribbean and has been noted and partially explained in other countries [3]. One writer has held that economists disregard power because it enables them to concentrate on the "mechanics of economic and market adjustment" and so avoid confrontation with powerful social groups.

We have a few exceptions [4] in some economists and others, behavioural scientists who have recognised the implications that the concentration and exercise of power has for decision-making in the Caribbean.

The emergence of the present elite and its ability to maintain an independent economic base and thus secure its hegemony was related initially to its ownership of land and its control of the distribution trade through import/export agencies and commission houses.

If the private commercial enterprise can be acknowledged as the father of the corporate child, it had a mother in the industries tied to the development of sugar and the sugar plantation.

Commission agencies and manufacturers' representatives provided the basis on which most of the commercial enterprises grew, and all the major members of the corporate elite can trace their emergence from their relationships to such enterprises and/or direct links with the sugar plantation.

Of the minority ethnic groups the Jews have one of the longest unbroken traditions of occupying important economic and political roles in the Jamaican political economy. Moses Delgado (whose descendants are still influential and who can be said to be part of the constellation of interests surrounding the present power elite) presented a bill in 1830 in the Colonial Assembly which gave the Jews of Jamaica enfranchisement and full citizenship rights before England did.

As one commentator put it, "so rapidly were the advantages of this emancipation seized by the Jews of Jamaica that by 1849 they contributed a sixth of the members of the Colonial Assembly."

In 1834 the island's oldest newspaper was started by Joshua and Jacob deCordova, a family which still retains significant trading interests in the island and are still closely linked with another Jewish family, the Ashenheims, by marriage.

Abraham Henriques, one of the earliest members of the Henriques family, had by the turn of the 18th century become one of the largest land-owners with some 3,000 acres of land.

A direct progenitor of the Lopez line (at present one of the largest land-owners in Jamaica) was an important land-owner in early Jamaica with 500 acres of land in 1692. (See footnote 3.)

A member of the Ashenheims, the precursor to the present powerful Jewish dynasty, joined the DeLevante Company Ltd., in 1929 an important commission agency, and shortly afterward married the daughter of the owner. The Matalons, another Jewish family of more recent origin, emerged after the war with Commodity Service Company in 1946 which was later to evolve into Industrial Commercial Developments, one of the largest companies on the Stock Exchange.

Others started earlier. The Issa group of Middle East extraction began with a dry goods and haberdashery store in 1894, D'Costa with an import/export house and the Brandons being the largest importer of animal feeds by 1930.

Samuel Hart, founding father of the Hart wealth, had by 1916 achieved a turnover of £100,000 per annum in dry goods after being in business 36 years. That this was a sizeable business can be gauged from the fact that the Jamaican Government revenue for the same year was approximately £1,000,000.

An early group of manufacturers, the Henriques Brothers, were the major engineering works catering to the sugar industry by 1908. They pioneered the establishment of the Jamaica Match Industry and were owners of a car agency, the Kingston Industrial Garage, the sole representatives of the Ford Motor Company and owners of New Yarmouth Estate, a major sugar estate then and now [5].

This is sufficient to indicate that by the post-war period commercial interests had emerged who had not only appropriated for themselves considerable financial leverage by virtue of ownership of land and property and domination of trade but who had also initiated a tradition of occupying important economic roles in the Jamaican community. That this elite were of considerable political importance goes without saying, and some insight into the character of their political dominance will be later shown.

Given their history and their importance there remained much uncertainty as to the extent of the operations of this entrepreneurial class.

With the advent of the corporation, the subsequent Jamaica Companies Act of 1965 and the

Jamaica Stock Exchange in 1969 with public listing of companies, some information of a more precise nature of the activities of the elite was available.

This was generally limited to statutory disclosures under the Companies Act of 1965, an Act which has been regarded as inadequate and fails to provide sufficient information as to the extent of the activities of companies in the corporate economy.² Instituted after a 100-year-old Companies Law, it did little to ensure that disclosure requirements were more than minimal.

That the elite groupings were aware of the weaknesses in the legislation can be gauged from the attitude of a member of the group as reported by G. A. Brown, now Governor of the Bank of Jamaica. He said in 1967. "One of the most prominent corporation lawyers has said that to have our company law (in reference to the pre-1965 Companies Law) in this ancient version is one of the best bits of incentive legislation that we have, for the reason that the modern company law placed companies under very strict control in England and the U.S.A. but here they could do pretty much what they wanted." [6]

It would not be far wrong then to suggest that the absence of an adequate Companies Act making provisions for important statutory disclosures was due to more than benign neglect of the state or its lack of sophistication.*

The rise of the new entrepreneurial groups from industrialisation is a familiar contention of economic historians. These new groups are often considered to be different from the landowners.

Implicit here is the notion of conflict of interests between the old economic elite and the emergent industrial class. In Jamaica we find a marriage of interests rather than conflict. Although it can be said that there is difficulty in establishing a continuous and all-inclusive link between the corporate economy and the old wealth derived from specific ownership of landholdings, there is sufficient evidence to indicate that concentration of land ownership provided some supportive framework for the development of the corporate economy.³

It would be expected that, in the absence of radical change in the economic system, the large corporate firm would reflect a pattern of activity in harmony with the concentration of land ownership. This would be later indicated.

Suffice it to say that some of the important corporate firms like Pan Jam, National Continental Corporation, Eddie Lai and Company and I.C.D. are the largest private investors in real estate development in the island.

The growth and importance of the corporate firms which are directly connected to real estate and property development such as the Cement Company, Insurance Companies, Courts Furniture Company (themselves among the larger corporate firms) is consequently not surprising.

A momentary diversion to the ownership of land would be useful at this point.

By 1968 45% of the total acreage in private hands belonged to 295 owners. Nearly 200,000 owners accounted for the other 55% [7].

This in itself might be understating the concentration as some families more often than not own two or more holdings.

If a valuation basis is used which only includes taxable holdings and taxable value (not market value) as assessed by the Island Revenue Department, some qualitative appreciation of the value of holdings could be had.

One of every 2,000 owners having holdings over £20,000 in 1967 accounted for 15% of total taxable holdings.⁴ A cursory examination of the holdings is revealing. Some members of the economic

* For example, the published accounts of Lascelles deMercado carry the shares of a majority-owned subsidiary, Western Terminals, at cost, and the accounts are not consolidated; in addition no value is attributed to the holding of 43.7% of J. Wray & Nephew. In the accounts this company is referred to as an "associated company" and the shareholding is carried at par value. Notes to the annual accounts only state "the total of capital and reserves of the associated company were in excess of par value of the issued shares."

elite and their constellations of influence enjoy significant holdings. This in itself gives some indication that the concentration of land ownership and concentration in the corporate economy are not divorced issues.

An exploratory but brief survey of the circumstances and debate surrounding the abolition of the Estate Duty Act on 22nd July 1963 which removed Estate Duty on property passed on at death will not only illustrate the extremely favourable political climate the landed and powerful enjoy but will give some intuitive feel for the extent of influence of the elites on the legislature.

By 1955 amendments to the Estate Duty Act giving more favourable tax reliefs were proposed by Sir N. Ashenheim, Leader of Government business, and accepted. For example, a property of \$500,000 which before was taxed at 40% was reduced to 33 1/3%. For comparison purposes a similar property was taxed at 65% in the U.K.

For a property of \$100,000 in value tax was reduced from 22.8% to 20% as compared with 50% tax in the U.K. In any event it was officially conceded that the Act was so full of loopholes that lawyers by a variety of tax avoidance arrangements, usually by the setting up of *inter vivos* trusts and other legal devices, managed to keep tax revenue from this source to extremely low levels, realizing \$200,000 per year by 1962.

The reasons for the removal of Estate Duty were considered "to encourage wealthy people from abroad to invest", and predicated on the belief that "breaking up estates would be a bad thing".

The proponent of the bill continued: "This piece of legislation represents a new thinking, a new economic philosophy so to speak".

Hon. Vic Grant, Q.C. and Attorney General, further stressed "some people will also argue that estate duty is an appropriation of capital investment and in the case of a developing country like Jamaica it can be strongly argued that it is not a good thing."

One opponent of the abolition, Mr. Edwin Allen, said: "I am saying this, in Jamaica this is a graft bill; I know the names of some people who have contributed to make this bill pass and if you were to ask I would name them." Unfortunately for posterity, the Speaker did not take up Mr. Allen's challenge.

The Leader of Government Business in the Senate, Mr. Hugh Shearer, pointed out that the abolition of estate duty was part of the Jamaica Labour Party election campaign in March 1962: "The Government was elected on the understanding on the announcement on the decision and to the knowledge of the people that estate duty would be abolished." (Jamaica Hansard: Session 1963-1964 No. 1). Major supporters of the bill were G. A. Mair and R. B. Chinsee, who can be considered as representative of the constellation of interests which revolve around the family elites.

This assuredly represents only one of the many examples of oligarchic influence on State policy during the post-war period in protecting their interests, and is indicative of the power network which Stone (1974) refers to as the Colonial Office merchant-planter class.

Needless to say the same interests who led by Sir N. Ashenheim secured a reduction in Estate Duty in 1955, were interests representative of the minority ethnic groupings, the main owners of capital and land.

Methodology

Given the absence of organised data about the presence and power of the economic groupings and the nature of their influence, the question is "How was the existence and nature of the grouping deduced?"

The study was based on a detailed analysis of the annual reports of the 42 companies listed on the stock exchange as contained in Stock Exchange Report 1969-1973 and financial news as reported in the island's daily newspapers.

As the primary focus was on the extent of overlapping directorates and rests on certain assumptions about the nature of control exerted by small family elites, specific ownership was not analysed.

In that the existence of specific proprietary interests can be inferred and does not undermine the original thesis that power positions in the corporate economy are in fact distributed and concentrated among a small number of actors, establishing the presence of these proprietary interests is only of analytical interest and outside the scope of the study. In addition, given the paucity of data and rudimentary legislation of disclosures such an exercise is fraught with difficulty.⁵

The direction of the analysis was therefore to identify the present officers, directors and where possible, founders of the corporations and confine itself to examining the following issues:

1. The existence of the effective kinship ties between directors and officers in the corporate economy.
2. The relationships between corporate financial institutions and the corporate economy.
3. Interlocking directorships and familial connections between the major decision roles in the corporate economy.
4. Extent of concentration by industry in the corporate economy, and the presence of holding companies.
5. Examination of informal relationships between business associates as exemplified by social groupings.

This represents, in brief form, the complex process necessary to identify the network of relationships which indicate the presence of principal family groupings and their constellation interests in the corporate economy.

Definition of Power

It can be argued at first sight with some legitimacy that the mere concentration of directorships in the corporate economy does not constitute a power elite, and is insufficient to justify a thesis of particular family dominance.

W. Mills (1956) has suggested that although interlocking directorships can be a useful index of the community of interests, unification of outlook and policy that prevails among the property class, it gives no straightforward indication as to corporate unity or policy co-ordination.

A recent anatomy of the modern corporate economy with specific focus on interlocking directorships in Great Britain (Giddens, Stanworth 1975) has argued that in order to evaluate properly the significance of interlocking directorships, knowledge of company history, policy orientations and the individuals involved is needed.

Without reservation one would admit that the existence of such concentration indicates a high potential for control.

One critic of the ruling elite model [Dahl, 1958] has suggested that a more complete test would demonstrate not only high potential for control but a high potential for unity.

It would seem that any interpretation of power and its basis is complicated with conceptual issues. For our purposes an ability to exercise control is the most relevant test of power, and avoids the theoretical and empirical difficulties of other approaches.

In any event any dichotomy between power as exercised through majority ownership and power as exercised through the directors is more apparent than real.

Stock-holding is very concentrated, whether we consider the family-evolved corporate enterprise or the corporate enterprise established with foreign majority ownership. For example, of the 3,909,299 shares in Bryden & Evelyn, the directors of the company and their wives own 1,009,758, corporate firms 1,314,274 and the remainder are allocated between group employees pension and trust funds and others. This company has 223 stock-holders.

The Bank of Nova Scotia, generally considered to have the widest spread of stock-holdings, has 5,296 stock-holders. There is enough evidence that suggests that annual general meetings where stock-owners have the privilege of exercising ownership rights are not well attended, being merely a legal fiction to provide statutory approval for the annual reports and the dividends to be paid.

The articles of association of listed companies provide without exception "that upon show of hands every member present in person or by proxy shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every share held by him".

If one accepts that ownership is as concentrated as the loci of organisational power and control within the elite groupings, then the separation of ownership and control is not only of secondary theoretical importance but it is not an issue.

It would further suggest that the use of control as a determinant for potential and actual power is conceptually cautious.

The urge to approach the issue from a broader basis is irresistible, yet the empiricism such a view would demand is formidable.

Rather what one has sought to establish from a narrow and controversial basis is a framework which allows for the accumulation of substantial evidence.

Evidence strong enough to satisfy the most potent criticisms of the ruling elite model by establishing also the high potential for unity.

In the sense that any empirically useful concept of power must show that the elite groups are able to maintain, reproduce and reinforce over time their position with respect to the peripheral unit, the society at large, it is felt that the theoretical considerations must be made explicit. Some writers (Zeitlin *et al.*, 1974, Rogers, 1974) [9] suggest that control in the corporate firm may be characterised as:

1. Private
2. Minority
3. Majority
4. Extra-legal control.

Such control referring to the capacity to determine broad corporate policies over time despite resistance.

Inasmuch as it is implicit in this study that the nature of corporate power is polyfaceted, extra-legal control provides the most comprehensive support for our thesis.

Extra-legal control has been defined as the type of control which depends "on a constellation of power relationships within the corporation rather than a legal basis of majority ownership". [Zeitlin, *et al.*].

It must also be considered that the proportion of votes directors hold is of less importance since once they are directors they exercise control more by the very fact that they are directors and less by ownership of votes.

Nunes accepts such a definition of control and goes further regarding ownership and control as interlinked.

He [Nunes] further contends that the ability to determine the course of the enterprise and the occupation of power from which individuals or groups exert influence on policy formation are the most instructive criteria for identifying those in command.

One cannot devote exclusive attention to the nature of the economic relationship without regarding the extent of the concentration and its implication.

Kinship ties, occupational roles and economic interests often form a complicated type of kinship matrix. Through this complex network [referred to by Zeitlin as the kinecon group], which controls the corporation, the family elites are strategically placed in the decision-making process.

A process which influences wages, prices, dividends and investments and *directly* affects national economic objectives.

Price stability, full employment and economic growth in the country are all sensitive and sometimes critically so to the behaviour of the corporate firm.

It is easy to draw distinctions between corporate ownership and corporate decision-making—this it is contended is artificial and may be misleading.

In fact, our primary contention is that whether directors are exercising the privilege of beneficiary ownership⁶ or are directors in their own rights as representatives of proprietary interests, the decision-making and control of the corporate enterprise is through family groupings and their constellation of interests.⁷

The investigation of the significance of interlocking directorates rests on four dimensions: (1) those reflecting patterns of trade, (2) economic transactions, (3) foci of financial power, and (4) the social ties congruent with the distributive network of directorships.

The directors' influence as company officers may be extended to include the Company Secretary and the Managing Director.

The Company Secretary and the Managing Director of the corporate enterprise are appointed by the Board of Directors, the former regarded as always playing an important part in management and usually the chief officer after the directors; the latter presides over the day-to-day operations of the organisation.

A contemporary view [notably Galbraith] points to a steady accumulation of evidence of the shift of power from owners to managers within the large corporations.

It also suggests that power has also in fact passed to what is called "a new factor of production", that of skills or diverse technical knowledge. [10]

The former view is largely inapplicable to Jamaica, still at the early stage of the development of the corporate institution. But the second contention has some truth.

In the development of the Jamaican corporation, functional skills and experience go hand in hand with ownership and decision-making.

The main family elites have sought to utilise the new factor of production by either training its own members or by co-opting by marriage such skills into the organisation.

It is easy to predict that as the corporate economy becomes more complicated and as new technology supersedes old this new factor of production will be of immense criticality to retention of power and control.

The Corporate Economy

By 1970 undistributed corporate profit and depreciation allowances accounted for 70 per cent of gross domestic savings (Manhertz, 1972)¹¹ and was contributed by 41 firms out of 11,435 companies representing .4% of all companies active in Jamaica.

Corporate taxes accounted for 46 per cent of income tax revenue in 1973-1974 and approximately 20% of all tax revenue in the same year.

This is only a preliminary indication of the economic resources at the disposal of the corporate economy.

The 41 companies listed (Appendix A₂) as representatives of the corporate economy cannot all be regarded as discrete economic entities as some of them are principally owned by other listed companies and are only technically distinguishable from subsidiary companies.

Putting aside the issue of interlocking directorships in many of the enterprises, the basis for inter-corporate control rests on cross-holdings where share ownership throughout these companies rests in the hands of monopoly interests in other companies. "66.1% of outstanding shares in these

companies are held by 7% of the shareholders with 50,000 shares and over. At the other extreme we find 83.1% of the shareholders with 5.8% of the volume of shares, each being under 1,000 shares." (p. 25, Jamaica Stock Exchange Market Review, 1970-1972, National Savings Committee.)

A public company is then clearly a misnomer and this pattern of ownership concentration reflects the ease with which inter-corporate control can be exercised.

A cursory glance at four companies would illustrate the mechanism of intra-corporate and inter-corporate ownership.

Lascelles deMercado, one of the larger corporations, is the largest single shareholder of Wray & Nephew, holding 43.7% of the company's share capital, and is majority owner of Western Terminals (53.6%).

Communications Corporation, owners of the island's second daily newspaper, is principally owned by Desnoes & Geddes (26%) and National Continental Corporation (28%), two of the largest corporate firms, majority-owned by three family groups, the Desnoes and Geddes and the Hendrickson-Rousseau interests.

Desnoes & Geddes are also the largest single shareholders in W. I. Glass (30%).

Caribbean Steel is majority-owned (51.3%) by Caribbean Cement Company.

These represent only a limited examination of the extent of inter-corporate control, the most direct form of concentration.

What is more significant is the considerable overlapping of family elite groupings, interlocking directorships cementing a structure of group control of major financial institutions and public corporate firms in what can be regarded as the corporate kingdom.

The presence of interlocking directorates where a director of one corporation also sits on the board of one or more other corporations is in itself indicative of the unity of interests in the corporate economy.

It has been generally agreed that interlocking directorates can be classified into six major forms.

1. Between competing firms direct (one company director on another's board) or indirect (two companies sharing a director who is tied to a third company).
2. Between companies in related industries.
3. Between companies in the same industry.
4. Between producer and distributor.
5. Between corporation and financial institution.
6. Between purchasing company and supplier.

Except in the corporate enterprise engaged in distributive trade and in real estate, interlocking directorates are a ubiquitous feature of the corporate economy with predictable consequences.

"For more than twenty years, your Company Lascelles de Mercado and the Caribbean Cement Company have periodically reviewed their relationship in so far as the distribution of Carib Cement is concerned." [Chairman's statement, 58th annual report and accounts, 1972, Lascelles de Mercado]. A relationship under which the Cement Company was paying 2% commission on sales to Lascelles deMercado.

Such relationships are understandable, reflecting the link between the importer and his former principals.

The strategy was simple: the market was nurtured through imports until it reached a large enough size where it would be more profitable to manufacture locally. Needless to say the trading connection between the import agency and the manufacturer remained.

Lascelles deMercado, the largest importers of cement before 1947, remained distributors for Caribbean Cement Company and its owners were intimately involved with setting up the enterprise. Wray and Nephew, the marketing agents and importers of Guinness Stout, became partners with Guinness Overseas Ltd. in setting up a new brewery in 1974.

"In 1919 we were appointed agents for the Goodyear Tyre and Rubber Company We are today the third oldest distributor for Goodyear in the world . . . Indeed, this is the only country in the world where Goodyear has a factory, that they do not themselves distribute." (History of Bryden & Evelyn- Group Annual Report 1973.)

From being importers of wine and other spirits Bryden & Evelyn in partnership with Desnoes & Geddes Limited started to manufacture in 1974 for the market they previously distributed to. Bryden & Evelyn were also appointed export agents for the CARIFTA area for the same firm in 1972. The marketing capacity and distributor strength of a Jamaican exporter married to the growing production capacity of one of the largest manufacturing firms in the island.

Viewed against these cited marketing arrangements and trading agreements, interlocking directorates emerge as a purposive feature of the corporate economy.

It is therefore not surprising that one finds the Chairman of the Caribbean Cement Co. and the Executive Director of Lascelles de Mercado are members of the same family grouping, the Ashenheims, and in addition share another director from the D'Costa family.

That such linkages extend outside the corporate economy as precisely defined is also predictable. A member of the Matalon group, majority owners of Industrial Commercial Developments, is closely involved in activities of the statutory corporations of the State.

This member, M. Matalon, is Chairman of the Urban Development Corporation directly involved with the Commonwealth Development Corporation, an English multinational State agency which is engaged in many real estate development projects in the island. It has a 24% share in Newport Holdings, 5% Jamaica Public Service and 20% Turtle Beach Development Ltd.

Industrial Commercial Developments has a 13.6% shareholding with 22% of C.D.C. in Western Terminals Ltd., a company majority-owned (53.6%) and a subsidiary of Lascelles de Mercado group.

Industrial Commercial Developments has an outstanding loan of £949,007 due C.D.C. and another £396,000 was also lent to its subsidiary (I.C.D. Trinidad Ltd.) by the same group.

Family Groups and the Informal Network

The community of interests which dominate the corporate economy and occupy the major hierarchical roles can well be considered a large family.

Twenty-one family groupings are easily identifiable as the major centres of power and account for 125 of the 219 existing directorships in the corporate economy and nearly 70% of the chairmen (Appendix A₁).

Within this context one can also talk of a "supergroup", family groupings who are represented on a variety of corporations and share a large number of directorates.

Ashenheims, Desnoes-Geddes, Hart, Henriques and Matalon can be considered as supergroups occupying 1 out of every 3 available directorships.

The issue is further complicated by the extensive inter-marriages between the 21 groupings.

One finds that Ashenheim and Henriques are linked by marriage and the Desnoes-Geddes, Hart and Henriques are similarly linked.

For example, O. K. Melhado, Chairman of the Social Development Commission and a director of Desnoes and Geddes is a grandson of O. K. Henriques.

His second cousin, Jean DeLevante, a granddaughter of the same Henriques lineage, married Jack Ashenheim, and Melhado himself married a daughter of the Geddes family.

Similarly, A. K. Hart of the Hart group also married a daughter of the Desnoes group.

The Desnoes-Geddes firm is entirely directed by family members.

This extensive network of family connections is shown in Appendices B₁, B₂, B₃, and B₄.

It is not difficult to conceive of the racial and economic exclusiveness of such relationships. Nearly half of the 53 corporate directors which make up the group of 21 families are Jews.

Each minority ethnic group is represented in the corporate economy, viz., Chinese in N.C.C. and Lai Corporation, Lebanese and Syrians in C.M.P., "Jamaican white" in Desnoes & Geddes, and Jews in I.C.D.

Notably absent are blacks; not one corporate firm is controlled by blacks, who represent 90% of the population; and of the 6 blacks on corporate boards two were government-appointed, the others providing a face lift.

Intermarriage could be viewed as a means of extending corporate ownership, as a strategic instrument for linking the factors of production, land, skill and capital and thus retaining the power and influence of the ethnic groupings.

Thus, the concept of the "extended" family or Zeitlin's "kinecon" group linked both formally and informally is as accurate a picture as we could possibly get of the concentration of power.

Religion and social club membership are the other important aspects of the informal network.

Nearly half of the 53 corporate directors who make up the group of 21 are Jews and eleven are Roman Catholics.

Most of these members belong to the same social clubs indicated in Exhibit I below.

EXHIBIT I

Social Club Membership Represented in Twenty-one Family Groupings (53 Corporate Directors)

Club	Nos. of directors—members
Liguanea Club	40
Caymanas Golf & Country	30
Jamaica Club	25
Kingston Cricket Club	23

Source: *Personalities Caribbean*, 5th Edition, 1972/1973.

Thus, the background is set for a perpetuation of a network for informal decision-making in the corporate economy.

Role and Rule of Law

What is the essence of the power of directing, superintending and adjusting labour, in other words, what is the essence of the power of command and control?

It is based on contract where the owner of capital and property imposes his will upon the wage owner.

Such an imposition is a social necessity predicated upon the capitalist system and its mature child, the corporate economy.

For in order to stabilize control of the future, private persons had to use the greater machinery of the State to govern their personal law.

So that the institution of property, the power of social distribution of goods, the development of labour regulations and the retention of a favourable juridical climate were functions of the force of law regenerated and potentially useful to a ruling elite.

A potential instrument of development, or its converse, law was capable of being used as an instrument for extracting privilege and maintenance of an economic *status quo*.

Besides this, the nature of the economic importance that lawyers as a group represented and the economic power they yielded must be well understood.

By 1972 Attorneys at Law and legal firms were considered as “representing the second largest source of mortgage finance in Jamaica”. [12]

Its strategic use in the political economy to provide incentives and tax rebates, its use in determining disposition of property and maintaining an atmosphere conducive to the growth and concentration of economic power in the hands of a small elite bears testimony to its instrumental character.

Typical of this was the role portrayed by lawyers in the composition of the Jamaican Independence Constitution.^{8,9}

Six of the sixteen-man committee who framed the Jamaican Constitution were lawyers, of whom the most important were closely involved with foreign enterprise and who were in fact directly connected with local enterprise and the present grouping of 21.

That their representation was successful goes without saying. Jamaica for the first time had property rights constitutionally entrenched.

At least two writers [14] have pointed out the roles played by these representatives in furthering the interests of the foreign and local enterprise now present in the corporate structure.

As a class, lawyers may be said to have shared values as a consequence of training and of origin. Without doubt they represent an important part of an economic oligarchy.

When these shared values and the recognition of lawyers as a ruling elite are superimposed on past and existing family relationships and the interrelation of business interests we continue to perceive the pattern of the same family groupings in the corporate economy.

Groupings even more tightly woven and interwoven and as a consequence more powerful.

Ten legal firms as shown in Exhibit II below represent the entire corporate economy and at the same time account for about three of every ten directorates of the listed companies and one of every three chairmanships.

These firms also provide some company secretaries, e.g., A. C. Delgado of the firm Millholland, Ashenheim and Stone is secretary to the Board of the Bank of Nova Scotia, or are sometimes responsible for setting up the corporate enterprise, e.g. Lake and Nunes in Investment & Finance Ltd.

EXHIBIT II

Analysis of All Corporations (1973)

LEGAL FIRMS	No. of companies legal representatives		No. of companies Directors Chairman		Number of Directorships
A1. Milholland, Ashenheim & Stone	12	2 jointly	14	5	20
A2. Judah, Desnoes	8	2 jointly	4		4
A3. Clinton Hart	2		6	4	9
A4. Livingstone, Alexander & Levy	9	2 jointly	7	1	4
A5. Manton & Hart	3	1 jointly	6	2	6
A6. Marley, Milner, Soutar	1		1		1
A7. Leslie Ashenheim	1		1		1
A8. Myers, Fletcher & Gordon	3	1 jointly	5	1	6
A9. Dunn, Cox & Orrett	1		2		2
A10. Lake, Nunes & Scholefield	6	2 jointly	5		7
				13	60

N.B.: In some cases numbers of directorships will be greater than numbers of companies legal firms have directors on as a firm might have two or more of its members as directors of one company.

Earlier in the study the influence of the elite in securing the amendment and finally abolition of the Estate Duty Act was identified; this was not an isolated example.

Under the Safeguarding of Local Industries Law, enacted in 1935, the Jamaican Government conferred monopoly rights in the late 1930s for the production of processed milk, matches and other products. In 1949 Jamaica concluded agreements for cement manufacture, awarding licences which not only explicitly bestowed monopoly favours but included provisions for import restrictions and generous fiscal concessions (Mills, *ibid.*, p. 219). Nearly 20 years later a similar type of agreement was concluded with the Jamaica Flour company with predictable consequences.

"Although local shareholders did not benefit as much as the foreign interests, a yield of \$820,000 tax-free on an investment of \$1,000,000 over a five-year period is handsome by any standards." (Reid, 13).

The role and rule of the law as exemplified through its legislative bodies certainly did their utmost to provide a favourable climate for the concentration evident in the corporate economy.

These connections are cemented with blood links brought out by continuous intermarriage.

To distinguish between Manton & Hart, Clinton Hart, Judah & Desnoes, Lake, Nunes & Scholefield, Milholland, Ashenheim & Stone, Myers, Fletcher & Gordon is superficial.

Some are the same firms with partners from the same families, viz. A₁, A₇, A₃, A₅, or firms with families intermarried, A₂, A₃, A₁₀, A₇, A₁₀, A₁.¹⁰ Many individual directors who are non-members of the 21 families can now be seen in perspective.

H. D. M. Orrett, a director of Jamaica Telephone Co., is a partner of Dunn, Cox & Orrett; M. C. Robinson, Director of K.I.W., a partner of Manton & Hart; R. Mahfood of Judah & Desnoes, D. H. Stone of Livingstone, Alexander & Levy, R. R. Lake of Lake, Nunes & Scholefield and C. C. Adams of Manton & Hart account for about 4 out of 7 Directors of Pan Jam Investment Fund.

One again, without reservation, cautions that corporation lawyers may act in two capacities without prejudicing either capacity:

- (1) In their own, exercising ownership rights;
- (2) as authorised agents for a beneficiary interest, for example, C. L. Vendryes for Guinness Bros. (U.K.) Ltd. in Guinness (Jamaica) Ltd.

Neither capacity as has been previously implied has any useful discriminant value as by their very nature the interests in either position are self-serving to dominance of a select grouping, namely the familial elites.

Appointments on the various boards of directors are made nearly exclusively either from within the families, the partners of the 10 legal firms, their immediate circle of interests, or from multinational partners who supply finance and technological skills.

Recognizing the formal network of the community of power shared by the families, one may well ask whether the informal network as previously identified can be said to be merely complementary in character.

The legal firms and boards of directors can be said to be the boundaries of the formal network of the community of power shared by the ethnic elites.

One may add here that the presence of directors who are not members of the family elites can be traced to foreign corporate interests or the interests of finance capital. An extract from the 1973 Annual Report of West Indies Paper Products illustrates admirably:

"Recently G. N. Ashenheim resigned from the Board to allow the appointment of Mr. James Lord who is the Financial Director of Crown Merchant Bank Jamaica Ltd."

In another section of the report one finds

"Crown Continental Merchant Bank Jamaica Ltd. which now holds a substantial amount of Ordinary Stock and was instrumental in arranging the stock-holders loan of \$500,000 . . ."

Similarly one finds Van de Groot representing ITT in N.C.C. and Toshikaura Kido representing Japanese interests in Industrial Commercial Developments and O. H. Polack representing Esso Standard Oil interests in Western Terminals.

The Role of Foreign Investment and the State

Any examination of concentration of power in the corporate economy in Jamaica would be incomplete without at least a peripheral survey of the activities of the multinational corporations which are majority owners in a number of corporate enterprises and the extensions of corporate influences into the corporate state.

It may be surprising, at first sight, that although 10 of the corporate enterprises are majority-owned by foreign interests we find that in them policy is almost exclusively controlled by local directors from the family groupings.

This apparent contradiction is only partially explained by the point of view which regards the use of local directors as a political device aimed at satisfying the nationalist ethos of developing countries.

At least it does recognise that potential power for influencing State policy on behalf of the corporate firm by this elite.

Much more than this, such *modus operandi* has a pragmatic virtue. A recent analysis of the Jamaica Flour Mills operations illustrates succinctly certain features of the marriage between the local elites and foreign capitalists.

On one hand the foreign interests are guaranteed a return on their investment through a variety of patents and services agreements and enjoy use of local capital borrowed from banks and on the other hand local shareholders recoup through profits.

"Of the estimated \$3.4 million in capital requirements for the flour company, the Corporate foreign groups provided \$760,000, less than $\frac{1}{4}$ of the total requirements; Jamaican shareholders put up \$1,000,000 and the Bank of Nova Scotia made available a line of credit of \$1.4 million dollars . . .

"What this in effect meant is that for a cash outlay of \$760,000 the foreign groupings were able to extract nearly \$2,000,000 in fees and \$500,000 in dividends over a five-year period." (Reid, 13).

State policy was directly and deliberately used to protect a successful firm. Guinness Jamaica Limited was given approval to establish a brewery contingent on restriction of advertising expenditure to \$250,000 per annum and limiting production to 2.6 million gallons of beer and stout. Such limitations only seem logical if one recognises that prior to the entry of this company Desnoes & Geddes enjoyed a market monopoly of production of such products.

The dominance of local economic groupings in the corporate economy is underpinned by the positions of influence that they enjoy in formulating state policy.

With growing state intervention in the economy and the shift in emphasis of state policy to the creation of a national industrialist class, the use of public funds to promote development of the private sector and specific industrial encouragement policies were inevitable.

State policy exercised through statutory agencies was and is implicitly influenced by the economic groupings, particularly the 21 families and their dominant members, the supergroup.

The Ashenheims are represented on the State Bank, the Matalons on Urban Development Corporation and more recently the Jamaica Bauxite Association, the Harts in Jamaica Industrial Development Corporation and Jamaica Investment Fund, and the Henriques on the Sugar Industry Rehabilitation Board and Coconut Industry Board.

This would suggest that relationships between Government and the economic groupings who have been appointed by the State are at the worst supportive.

Thus one finds that the Jamaica Development Bank has been a source of finance for the corporate economy—\$500,000 (U.S.) 9% to the Caribbean Steel Company to begin operations and

J\$600,000 to Communications Corporation to set up the island's second daily newspaper in 1973 and J\$400,000 to the Gleaner Company Ltd. in the same year.

These are only a few of the examples of the network which ties both corporate power and the corporate state.

The marriage between political and economic power may be subtle.

Hendrickson, Chairman and largest shareholder in the National Continental conglomerate and Communications Corporation is also Chairman of the island's electric utility Jamaica Public Service, majority-owned by the State.

Or one may have an overt and more dynamic relationship as with the Matalon family, members of which have been the Minister of Security, the chairman of state development agencies, and occupy lesser but still important social cum political offices.

Patterns of Investment

If the patterns of investment are examined sectorally a comprehensive picture of concentration emerges, and monopolistic/oligopolistic features are identifiable.

Since it was originally contended that the pattern of investments would reveal a sort of evolutionary connection with land and property and hinted that most of the large corporate enterprises are in real estate, this sector serves as a proper introduction.

Construction

Now construction and installations accounted for 12.2% of gross domestic product in 1973 and 14.3% of all imports.

It is one of the growth areas of the economy and one of the major areas of capital investment. In the same year it accounted for half of the imports of capital goods.

Five of the largest corporate enterprises are directly involved in the construction industry. These are Caribbean Cement Company, Industrial Commercial Developments, National Continental Corporation, Pan Jamaican Investment Trust and its listed subsidiary Hardware and Lumber, and the Lai Corporation.

Pan Jamaican Investment Trust is regarded as the major developer of commercial real estate in the island.

N.C.C., through its wholly owned subsidiary Key Homes Ltd., I.C.D., through wholly owned subsidiary Development Properties Ltd., and the Lai Corporation both develop and sell real estate and housing.

It is difficult admittedly to place any precise figures on the share of the market these groups cover. Yet it is known that they cater for higher income groups and have been responsible for most of the town houses and apartment buildings built in the urban areas.

What is also significant is that most of the imports in this sector are brought into the island by the Pan Jamaican subsidiary, Hardware & Lumber, Wherry Wharf, and the Lascelles deMercado and K.I.W. groups.

Fortunes of some of the major companies are dependent on the activity of this sector. Courts Furniture, a subsidiary of Courts Brothers (U.K.), is the largest furniture company in the island.

C.M.P. Products and Caribbean Steel Company are also intertwined and form a network of tertiary industries dependent on continued growth of the construction industry.

Consequently the multiplier effect can be easily understood but would be incomplete if we do not look at the principal actor, the Caribbean Cement Company.

A pivotal figure in the construction industry and basic to its development, this company was started in 1949 under a special licence giving it an exclusive right to sell, import and manufacture cement of any grade or type in Jamaica.

The agreement included the following concessions:

- (1) Imports free of Customs duty, tonnage tax and similar duties.
- (2) Similar concessions for plant, machinery and building materials for the factory.
- (3) Exemptions from the payment of royalties to the Government as well as export duties.
- (4) Exemptions from import duties on fuels, raw materials used in the manufacture of cement.
- (5) A provision of no mineral royalties on shale, limestone and gypsum operations.
- (6) Exemption from taxation for a 21-year period from 1949-1971.¹¹

Because of tax exemptions and its monopoly activity the Company was able to distribute over a 10-year period, 1964-73, nearly \$6.5 million to its shareholders of a total of \$11.7 million in profit.

It is obvious that when this sort of activity is taken into account the price of cement was higher than necessary and given a multiplier effect, adversely affected the build-up of physical assets, slowed down government and private building activity and as a result provided less employment than would have been possible.

The major groups identified as controlling activity in construction were the Ashenheims, DaCosta, Matalons, Issa, Hendrickson, Rousseau and Lai. Other members of the 21 families also share a peripheral interest. Exhibit III.

EXHIBIT III

Participating Firms in the Construction Sector (Corporate Economy)

Company	Rank According Appendix A ²	Director Groupings from the 21 Families and Others	N	Total Number of Directorates
Caribbean Cement Co.	4	Ashenheims, D'Costa, Chen See	(4)	6
I.C.D.	8	Matalons, G. Desnoes	(6)	6
Lascelles deMercado	9	D'Costa (Ashenheim, Henriques)	(6)	9
N.C.C.	10	Hendrickson (Rousseau)	(4)	13
Courts	11	Cohen, S. C. Lopez	(4)	8
Pan Jam. (including subsidiary Hardware and Lumber)	12	Lake, Mahfood, Stone, Facey	(4)	7
C.M.P.	17	Mahfood (Issa, Abrahams)	(5)	10
Lai Corporation	28	Lai (Issa)	(3)	8
K.I.W.	29	Martin, Abrahams, Hart	(3)	9
Caribbean Steel Co.	35	Ashenheim (Chen See, D. V. Fletcher)	(4)	5

Chairman - bold type.

N--number of directorships represented in the 21 families.

Agriculture

Involvement in the agricultural sector is confined to two companies, the Jamaica Banana Producers' Association and Wray and Nephew Ltd., the fifth largest company in the island, owned and controlled by the joint interests of Ashenheim, Henriques and DaCosta.

Wray and Nephew, owner of Appleton Estates, account for about 90% of local rum production and the same proportion of exports. With two other factories, New Yarmouth and Bernard Lodge,¹² they process nearly 25% of the island's total cane tonnage and produce 23% of the island's sugar, its primary agricultural export. [14]

A seven-week strike in 1973 was estimated to cost the country more than 7 million dollars' loss in revenue from excise duties, nearly 1/8th of total revenue derived from excise duties, and a general disruption of activity in the numerous small shops in urban and rural Jamaica.

The Jamaica Banana Producers' Association are sole shippers and marketing agents for bananas, the island's second major agricultural export.

Manufacturing Sector

Since, for the purpose of the study, we have regarded manufacturing firms in construction under the construction sector, so, similarly, Wray and Nephew, a rum manufacturer, is considered in the agricultural sector.

Manufacturing is the largest single sector and one which is considered of greatest importance. The fastest growing areas in this sector are considered to be alcoholic beverages, tobacco, printing, publishing, paper products and automobile accessories.

Desnoes and Geddes, a family firm and the largest corporation outside of the two utilities, telephone and electricity, virtually accounted for the entire beer and stout consumption in the country and exports.

Carreras, an associate company of Carreras (U.K.) Ltd., dominates 80% of the cigarette market. Again, here Hart and Ashenheim groups are represented.

It cannot be said, with any accuracy, how much of the interest is beneficiary and how much is not.

Other monopoly behaviour is evident. Pulp, paper and glass are produced under the control of an alliance of Ashenheim, Geddes and Henriques on one Board and Henriques, Desnoes & Geddes on the other board.

For the Desnoes and Geddes group another example of useful integration, they not only produce the beer, aerated beverages and crown caps for their products, but also have shares in the production of the cartons and the bottles.

A N.C.C. subsidiary bakes and sells the majority of the island's bread and for good measure makes the wrapping paper for it. Because this activity is not only for its own use it has become the largest converter of packaging cellophane film in the island.

Jamaica Flour Mills, in which the Hart family are the largest local shareholders and which they chair, accounted for 82% of the island's total requirements of flour consumed and 40% of animal feed requirements in the island. [15] In 1971 it was able to report a profit of \$1,192,149 after 3 years' operations.

Communications

Until 1973, the island had one daily newspaper directly under the control of 5 members, all Jews, of the family of 21; this could be said to be under the Ashenheim supergroup.

Since then another daily newspaper was started. It is controlled by Desnoes-Geddes; Rousseau-Hendrickson grouping (N.C.C.) a non-Jew combination and themselves members of the supergroup.

Radio Jamaica, one of the island's two radio stations, is entirely foreign-owned and members of the 21 families are well represented on the directorate. The cinemas are controlled almost exclusively by one company, Palace Amusements, controlled by the Abrahams and Graham groupings.

Distributive Trade

It is natural to find all the major groupings engaged in the distributive sector as befits the history of their development. The early commercial development was almost exclusively confined to this sector, importing and distributing consumer goods and foods.

The last decade has witnessed the emergence of three dominant corporations, Bryden & Evelyn, Industrial Commercial Developments and Lascelles deMercado, and one private company, Grace Kennedy, of which little is known.

Again, Ashenheim, Matalon, Henriques and D'Costa interests are represented through Industrial Commercial Developments and Lascelles deMercado, two conglomerates which operate a number of distributive agencies through their subsidiaries. The extent of domination is imprecise and can only be inferred.

Corporate practice

The pattern of investment is as indicated not haphazard and the activities of the groups through their conglomerates can be attributed to two developments:

- (1) Need for expansion and growth;
- (2) Desire for vertical integration aimed at retention of market and supply control of raw materials.

Growth is commonly regarded as one of the major goals of the corporate enterprise; by this it is better able to dominate and control its environment through sheer size.

We have seen in Jamaica varying forms of growth by merger, take-over and partnership with multinational enterprises.

The end result is a diversified range of activities managed by a complex corporate structure. This type of corporate development is more reflective of the new wealth activity of Rousseau, Hendrickson, Matalon, Lai, Issa and Mahfood.

Hendrickson interests in baking merged with Rousseau's interest in real estate and with the presence of an I.T.T. minority interest moved quickly up the corporate kingdom.

A similar path was taken by the Matalon interests who, with the help of Commonwealth Development Corporation, a multinational U.K. enterprise, and a nearly 2 million (dollars) loan for 1972-81, took over Western Storage, Redimix Concrete and bought 3 commercial properties. They also bought out a major Trinidad interest to start I.C.D. Trinidad Ltd., and 18.3% share in Western Terminals Ltd.

Vertical integration in Jamaica is a novel business strategy, and except for Desnoes & Geddes' wide-ranging interests in every aspect of bottling and recent attempts by other companies at diversification some corporations have aimed at what can be said is 'brute dominance'.

For instance, the Ashenheim groups confined themselves to investment areas having high capital entry barriers, relatively massive engineering type of production and which were natural monopolies, cement, steel and gypsum.

A strategy which seemed to be directed at monopoly creation, an inevitable feature of too small a market.

The Economic Centre of Gravity

Are there any other connective tissues to the investment patterns we have outlined in the corporate economy?

If one can see these economic sectors as satellites in the corporate firmament then where is the hub of activity, the centre of gravity?

In the capital market one finds institutional savings at the disposal of the corporate economy through commercial banks, Government agencies, viz., Jamaica Development Bank and the financial intermediaries, life insurance companies and building societies.

The parallel between investment patterns of these institutions and the sectoral dominance of the corporate enterprise is remarkable.

Manufacturing, construction, distribution and personal loans usually financing consumption of goods in those sectors generally accounted for about 75% of all loans and advances by commercial banks.

Construction increasing its share from 1 in every \$7 lent by commercial banks in 1971 to 1 in every \$5 in 1973.

Agriculture, fishing, mining had to be content with 1 in every \$17 to 1 in every \$25 over the same period. [16]

Twenty-seven point four per cent of assets in the island's major insurance companies, the second largest mobilisers of savings, are held in the form of mortgages and 15% in institutional lending.[17]

Building societies perform a vital economic role as financiers of housing and other such developments and can be said to be influenced by the corporate economy.

In fact, the family groupings and their constellation of interests are well represented on the management of the building societies.

But since they exist outside the corporate economy, awareness of their existence is sufficient for us.

Insurance companies have a special interest in construction either in the form of general insurance or life insurance on mortgages, ancillary activities, viz., motor vehicles and, as said before, institutional lending.

The only listed life insurance company, Life of Jamaica, is under the control of the families. In the 19 members of the Board of Directors, Rousseau, Fletcher, Graham, Issa, Lai, Matalon, and Desnoes-Geddes through O. K. Melhado are the groups represented.

The chairman, P. Rousseau, is also Director of Key Homes, a major part of the N.C.C. conglomerate.

This insurance company has an unusual asset mix with nearly 60% of its assets in mortgage loans as opposed to general 27-30% present in other insurance companies.

It is noteworthy that group pension and group insurance for employees of the firms with which these directors are connected are carried by the company.

The company currently manages pension funds of nearly 100 large clients including Desnoes and Geddes, Jamaica Public Service and Caribbean Cement Company, some of whose directors are represented on the Board of Directors.

Jamaica Co-operative Fire & General—a general insurance company and a U.K. subsidiary—has only two members of the group of 21 but one is the Chairman, S. Hart, and the other a Desnoes, both members of the supergroup.

The other two, Insurance Company of Jamaica and Motor Owners Mutual, are local companies.

The first with an Ashenheim as Chairman, the second with Brandon as Chairman, a member of the 21 families. Again, the concentration of directors is representative of the family groupings.

Banks warrant special mention not only because they act as vehicles for keeping the flow of monies in certain sectors but also because of their other activities in providing the main source of corporate debt financing in the form of working capital and through the overdraft system.

That banks in effect had become permanent suppliers of long-term capital and were still the most important form of finance for Jamaican companies, some having a 60-40% debt/equity ratio, was the consensus view of the Caribbean Capital Market Symposium in 1972.

The general broader effect on the economy is the provision of working capital for industry and mobilising of substantial resources for employment in Jamaica.

By selective shifts in credit policy they become delicate tools for re-direction of investment and as a consequence are expected to fall into the general framework of national planning.

The inability to shift financial assistance to agriculture and away from the distributive sector, the lack of success of the state import restriction policy through curbing commercial credit and continuing expansion of consumer credit are indications of some evidence of the conflicting policies of commercial banks and Government.

It is equally eloquent testimony of the "persuasiveness" of the banking sector *that they play an important consultative role in the determination of present financial state policy.*

An examination of the Board of Directors of a listed bank can assure us of the inherent logic of the existence of such "persuasive" power.

All of the banks operating in the island have not become corporate institutions and some are still branch institutions controlled from the metropolises.

However, among those that have become majority Jamaican corporations, one finds the largest, Bank of Nova Scotia, Canadian-owned, and two smaller companies, Jamaica Citizens Bank, with majority American ownership and Royal Bank Jamaica Ltd., also with foreign majority ownership.

The Bank of Nova Scotia has representatives from Matalon, Judah, Henriques and Hart families listed among the Directors. Another director is Donaldson, Managing Director of New Yarmouth, one of the island's leading sugar factories and the General Manager is a Henriques also a member of the legal firm Milholland, Ashenheim and Stone.

This automatically gives the supergroups a majority vote on the board of Directors and the comforting reassurance of day-to-day policy effected by one of their own members.

This bank acts as bankers for the major corporations and as with the two other corporate banks directors also seem to bear some relation to business carried by the bank. For example, Graham, Abrahams as directors of J.C.B. and Palace Amusement Co., as their clients, and Ashenheim, Chen See, Desnoes as directors of Royal Bank of Jamaica bankers for Desnoes and Geddes, Caribbean Cement Co., Caribbean Steel and Western Terminals.

The Bank of Nova Scotia was able to declare a record profit of \$5 million in 1973, the largest ever recorded in the history of corporate finance in Jamaica. A reflection of its size and its dominance of the banking system.

Eight of the 16 directors of Jamaica Citizens Bank Board including the Chairman and 4 out of 10 on the Board of Royal Bank Jamaica Ltd. are from the group of 21.

The development of new financial institutions has in fact not reduced the dominance of the commercial banking system and one observer, B. Buck,¹³ has contended that these institutions have been infiltrated by commercial banks and one could easily visualise over the next decade that savings would be mobilised in the same pattern by commercial banks to be distributed through more elegant and sophisticated instruments but achieving the same ends.

Lenin's assertion that one can find in the banking system "that a handful of monopolists subordinate to their will all the operations both commercial and industrial, of the whole capitalist society . . . control them, influence them by restricting or enlarging, facilitating or hindering credits" [18] seems to be an accurate picture of the existing pattern of economic concentration.

Conclusion

Having traced the development of the corporate sector and its importance in the national economy we have observed the retention of power by a selected elite and illustrated its dynamic relationship with the environment.

An elite whose strategy involved the translation of the old alliance of land and law to the sophisticated corporate structure.

Again noticeable is the presence of families whose wealth was derived from industrial activity and who subsequently have become landowners either to diversify their investments or to enhance their economic power base.

This disclaims the popular notion that the predicted trend of large business organizations is "the moving away to the pattern of corporate ownership devoid of kinship ties." [Galbraith, *Ibid.*]

In reality, corporate ownership by the device of the holding company has in fact strengthened the grip of a small group of families on the economy.

Its implications for economic theory and economic development in the Caribbean are obvious.

For any notion of pricing interdependence, profit maximisation of the firm and any explanation of the absence of black entrepreneurship must take the factor of power into account.

Lack of noticeable success in affecting fiscal policy, monetary regulation and the snail-like evolution of social and economic development in the direction of the popular mandate can now be partially understood.

We may now quite safely say that given the dominance we have shown the possibilities for cartelisation, price fixing and collusion by a small group of firms are limitless.

One can now make an informed appraisal of the relationship between the economic concentration in the corporate sector and its effects on the economy of the country.

Conflict between the industrial economy represented by the modern industrial elite who appear in favour of measures such as tariff protection, import restriction and exchange control, and the older commercial elites engaged in the distributive trade who support free trade policies can be regarded as only superficially true.

As Tokman [1973] points out, "on the contrary, if we can assume economic rationality in their behaviour, they are likely to advocate complementary policies in both sectors to maximise their profits..." and concludes that industrialisation with unchallenged dominance in the agricultural sector "which is a condition *sine qua non* for their support of the industrialisation policy, will lead to a higher concentration of wealth and income in the economy."

Given the concentration of power and wealth that has been outlined, it is not surprising that one finds in Jamaica a very serious mal-distribution of income.

Since only profits or high incomes can be saved, it is evident that further wealth accrues to those who have and will continue to distort the distribution of wealth and consequently power in the society.

High income groups are able to take advantage of investment opportunities. In the Income Fund of the Jamaica Unit Trust 6.4% of unit holders held 38.9% of the volume of shares and in the Capital Growth Fund 16% of the unit holders held 92% of the volume of shares and 10% of National Development Bank purchasers accounted for 37% of the bonds purchased.

Because of the concentration of income accruing again to a particular group, the capital market continues to be dysfunctional to equality in income distribution.

Within the wider context an overriding conclusion is that any concept of a *democratic* economic system is divorced from the reality of the existing corporate system.

Another significant conclusion is that we may have to redefine what we traditionally understood by entrepreneurship. It is generally agreed that entrepreneurship involves by definition taking risks of some kinds and according to McClelland, 1961, in reference to the entrepreneurial role for "decision making under uncertainty" if there is no significant uncertainty, if the action called for involves applying a known procedure, however complicated, to produce a known and predictable result, then entrepreneurship cannot be said to be involved.

Given the all-pervasiveness of the corporate enterprise and its continued preeminence in the national economy it has clearly become necessary for this type of enterprise to be more accountable to the community.

In this respect evolution of Company Law has been remarkably slow and unlike the developments in the modern capitalist economy to date little has been done to divest the corporate enterprise of the shrouds of secrecy which surround their operations.

Against a background of growing participation of the corporate state in the corporate firm and the socialist imperatives expressed in present State policy, public accountability would necessarily imply greater statutory disclosures and a new look at workers' rights to share in the ownership of their companies.

The potential in a system regulated by oligopolistic competition and monopoly practices without the presence of the restraining hand of the State for abuse is considerable.

Implicit in the domination by small ethnic familial elites of strategic sections of the economy is their continued usurping of the political process and retention of a diffuse but nonetheless real political power.

STANLEY REID

APPENDIX A1

Code	Family Groups Single of Individuals	Corporations Number of Companies Represented	Directorships Represented
1.	Abrahams	4	5
2.	Ashenheim	15	20
3.	Brandon	2	2
4.	Brown	3	3
5.	D'Costa	4	5
6.	Desnoes	6	7
7.	Fletcher	5	5
8.	Geddes	7	7
9.	Graham	3	7
10.	Hart	8	11
11.	Hendrickson	3	4
12.	Henriques	9	14
13.	Issa	3	3
14.	Judah	5	5
15.	Lai	2	3
16.	Lake	5	5
17.	Matalon	4	10
18.	Mahfood	4	6
19.	Nunes	3	3
20.	Rousseau	4	6
21.	Stone	4	4
			125

Total number of directorships: 219 –6 Government-appointed
 –6 Direct family with D&G grouping.

APPENDIX A₂

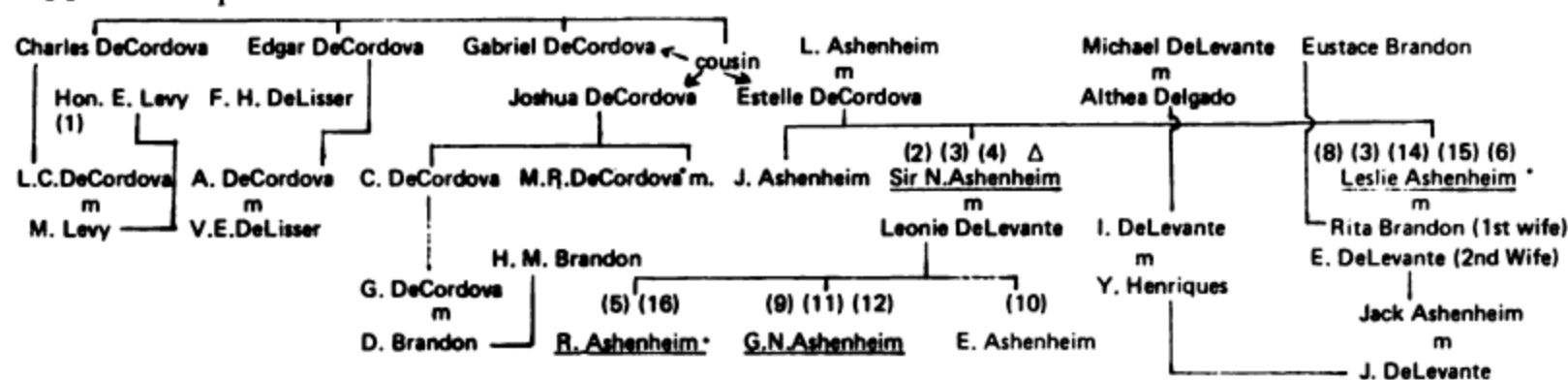
Companies in the Corporate Economy (1972-1973)

COMPANIES	CHAIRMAN	Coded (excluding chairman) GROUPS REPRESENTED ON BOARD OF DIRECTORS	COMPANIES under control or partially owned	ATTORNEYS RANKING BY CAPITAL	AREA OF INVESTMENT	PRODUCT MARKET SHARE
† Jamaica Public Service	K. Hendrickson	2, 10		A ₁	* 25,541,000	1 Electricity m
† Jamaica Telephone Co.	M. M. Matalon	2, 18		A ₁ A ₁₁	* 15,071,000	2 Telephone m
Desnoes & Geddes	P. S. Desnoes	7, 8	6	A ₂	13,955,000	3 Aerated Beverages
Caribbean Cement Co.	N. Ashenheim	1, 5	2	A ₁	12,277,000	4 Cement m
Wray & Nephew	N. Ashenheim	2, 6, 13		A ₁	11,941,000	5 Sugar & Rum m
Bank of Nova Scotia	T. A. Boyles	10, 12, 14, 17	2	A ₁	10,724,000	6 Banking
Ja. Banana Pro. Assoc.	C. H. Browne	10, 12, 14		A ₁	10,463,000	7 Marketing & Shipping Bananas m
Industrial Commercial Developments	M. M. Matalon	6, 17	27	A ₁	9,629,000	8 Diversified
Lascalles DeMercado	C. E. D'Costa	5, 12	15	A ₁	8,681,000	9 Diversified Distributor
National Continental Corporation	K. Hendrickson	11, 20	5		7,351,000	10 Baking, Packaging, 70% Real Estate
Courts	E. G. Cohen	16, 18		A ₁	5,186,000	11 Furniture
Pan Jam	M. W. Facey	16, 28		A ₁ A ₁₁₁	4,965,000	12 Real Estate
† Ja. Omnibus Services	A. F. Carling	9			4,379,000	13 Transportation
Ja. Citizens Bank	Hon. A. Graham	1, 7, 8, 9, 16		A ₁ A ₁₁₁	4,271,000	14 Banking
Carreras Group	Hon. C. Hart	2, 10	1	A ₁	4,096,000	15 Tobacco
† Hardware & Lumber	M. W. Facey	16		A ₁	4,033,000	16 Building Material
Royal Bank (Ja.) Ltd.	H. M. Stewart	6, 17	2	A ₁	3,335,000	17 Banking
C.M.P.	W. H. Mahfood	1, 13, 18	12	A ₂	3,803,000	18 Diversified Metal Prods.
Ja. Flour Mills	Hon. C. Hart	10		A ₁	3,709,000	19 Flour Mill & Animal Feed m 40%
Bryden & Evelyn	D. H. Stone	7		A ₁	2,592,000	20 Distributors & Importers
Montego Free Port	T. Hart	6, 10	5	A ₂ A ₁	3,429,000	21 Real Estate
Ja. Co-op Ins.	S. L. Hart	3, 6		A ₂ A ₁	3,386,000	22 Insurance
Gleaner Company	L. E. Ashenheim	1, 2, 5, 7	1	A ₁	3,370,000	23 Newspaper & Printing 60%
Pegasus Hotel	G. C. Lee	2		A ₂	2,817,000	24 Tourism
Western Terminals	C. E. D'Costa	2, 5, 12, 17		A ₁	2,622,000	25 Real Estate
West Indies Pulp & Paper	R. D. Henriques	2	2	A ₄	2,447,000	26 Paper Prods.
West Indies Glass	R. D. Henriques	2, 6, 8	1	A ₁ A ₄	2,238,000	27 Glass & Plastic Containers
Ins. Co. of Jamaica	L. E. Ashenheim	12		A ₁	2,078,000	28 Insurance
Lai Corp.	E. A. Lai	13, 15	12	A ₂	1,995,000	29 Real Estate
K.I.W. Group	N. G. Martin	1, 10		A ₁	1,984,000	30 Manufacturing Distributors
Ja. Sugar Estates	McGregor				1,893,000	31 Sugar
Goodyear	R. DeYoung	14		A ₂	1,742,000	32 Rubber Prods., Tyres m
Life of Jamaica	P. H. Rousseau	7, 9, 15, 20		A ₁	1,732,000	33 Insurance
Salada Foods	J. F. Hupley		2	A ₂	1,260,000	34 Food Processing
Palace Amusements	Hon. C. Browne	1, 9		A ₄	3,391,000	35 Cinema m
Caribbean Steel Co.	Sir N. Ashenheim	2, 7		A ₁	7,771,000	36 Steel Prods.
Kingston Ice-Making Co.	D. H. F. Stone	2, 12		A ₄ (1)	874,000	37 Ice and Refrigeration Facilities
Investment & Finance Co.	A. E. Brandon	8, 16, 18		A ₁₁₁	848,000	38 Leasing
Reckitt & Coleman	Hon. I. N. Vaz			A ₄	617,000	39 Toiletries
Motor Owners Mutual	A. E. Brandon	9, 19		A ₁₁₁	669,556	40 Insurance
* Communications Corporation (Ja.)	K. Hendrickson	8, 18, 20		A ₁	554,838	41 Newspaper 40%
Ja. Livestock Assoc. Ltd.	H. L. Roper	19		A ₁	539,000	42 Livestock
Montego Bay Ice Co.	I. G. Aarons		2		412,000	43

Source: The Jamaica Stock Exchange Review, 1969-1973.

- (1) subscribed capital plus reserves
 * utility
 † subsidiary
 m monopoly

Appendix B₁



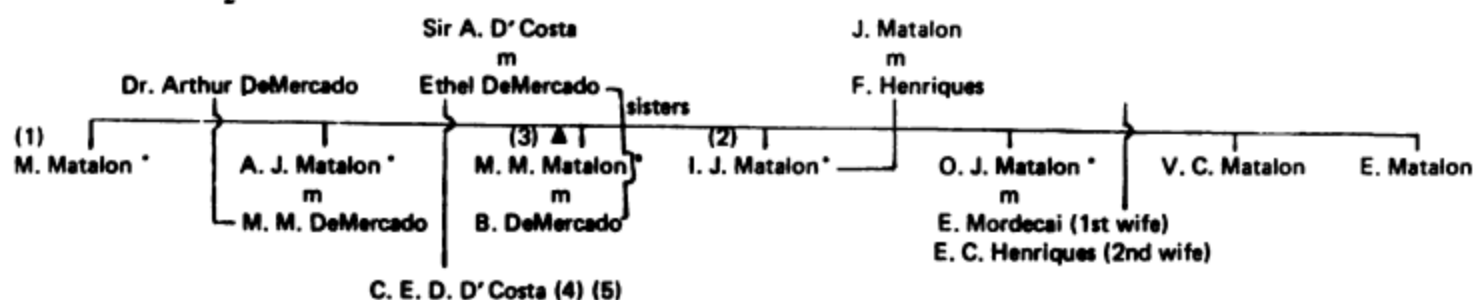
△ Chairman Caribbean Cement Company
Caribbean Steel Company
Wray & Nephew Ltd.

* Three of seven Directors of the Gleaner Co. Ltd.

Partners in Milholland, Ashenheim and Stone

- | | |
|---|--|
| (1) Partner in Livingstone, Alexander and Levy | (9) Chairman—Lascelles DeMercado |
| (2) Director of Jamaica National Export Corporation | (10) Director—Jamaica Mutual |
| (3) Director of Bank of Jamaica | (11) Director—West Indies Paper Products |
| (4) Chairman of Banana Board | (12) Director—Carreras of Jamaica |
| (5) Director of Caymanas Park | (13) Director—Western Terminals Ltd. |
| (6) Director, Jamaica Lawn Tennis Association | (14) Chairman—Insurance Company of Jamaica |
| (7) Director of Coffee Industry Board | (15) Chairman of the Gleaner Company Ltd. |
| (8) Chairman of Permanent Building Society | (16) Director—Royal Bank of Jamaica. |

Appendix B₂

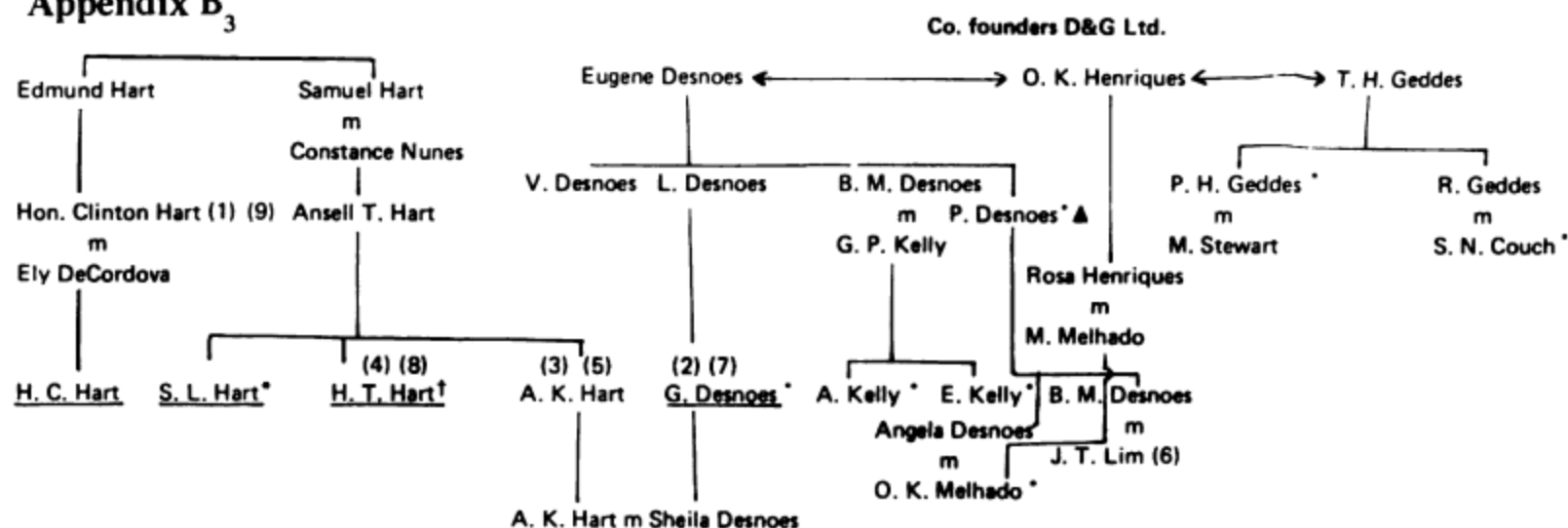


* Five of twelve Directors Industrial Commercial Developments

△ Chairman

- | |
|--|
| (1) Chairman—Urban Development Corporation |
| (2) Director of Coconut Industry Board |
| (3) Director—National Sports Ltd. |
| (4) Director of Radio Jamaica |
| (5) Mg. Director—Lascelles DeMercado |

Appendix B₃



- ▲ Chairman—Carreras Group Ltd. Jamaica Flour Mills
 * Chairman—Jamaica Co-operative Fire & General Insurance Co.
 † Chairman—Montego Free Port Ltd.

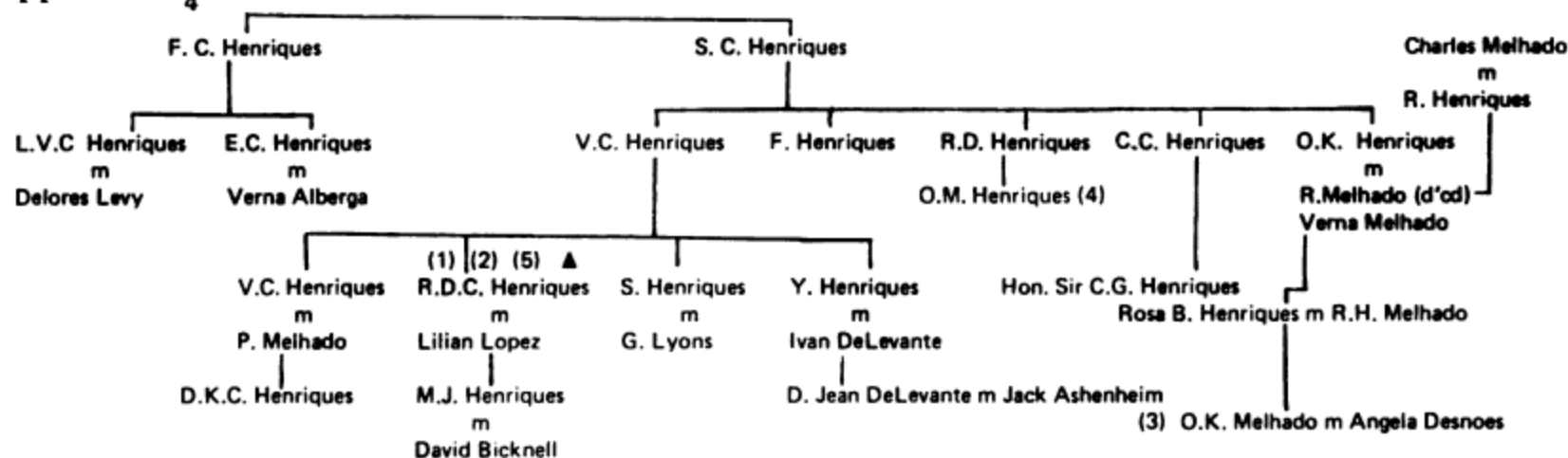
Eight of nine Directors in firms of Desnoes & Geddes.

- (1) Partners C. Hart and Company
 (2) Partner, Judah, Desnoes & Co.
 (3) Director—Air Jamaica Ltd.
 (4) Director—Radio Jamaica Ltd.
 (5) Director—Jamaica Industrial Development Corporation
 (6) Member—Public Utility Commission

- (7) Director, Jamaica Investment Funds
 (8) Director—Jamaica Mutual
 (9) Director—Bank of Nova Scotia

(Family linkage of supergroup—Henriques, Desnoes, Geddes, Hart).

Appendix B₄

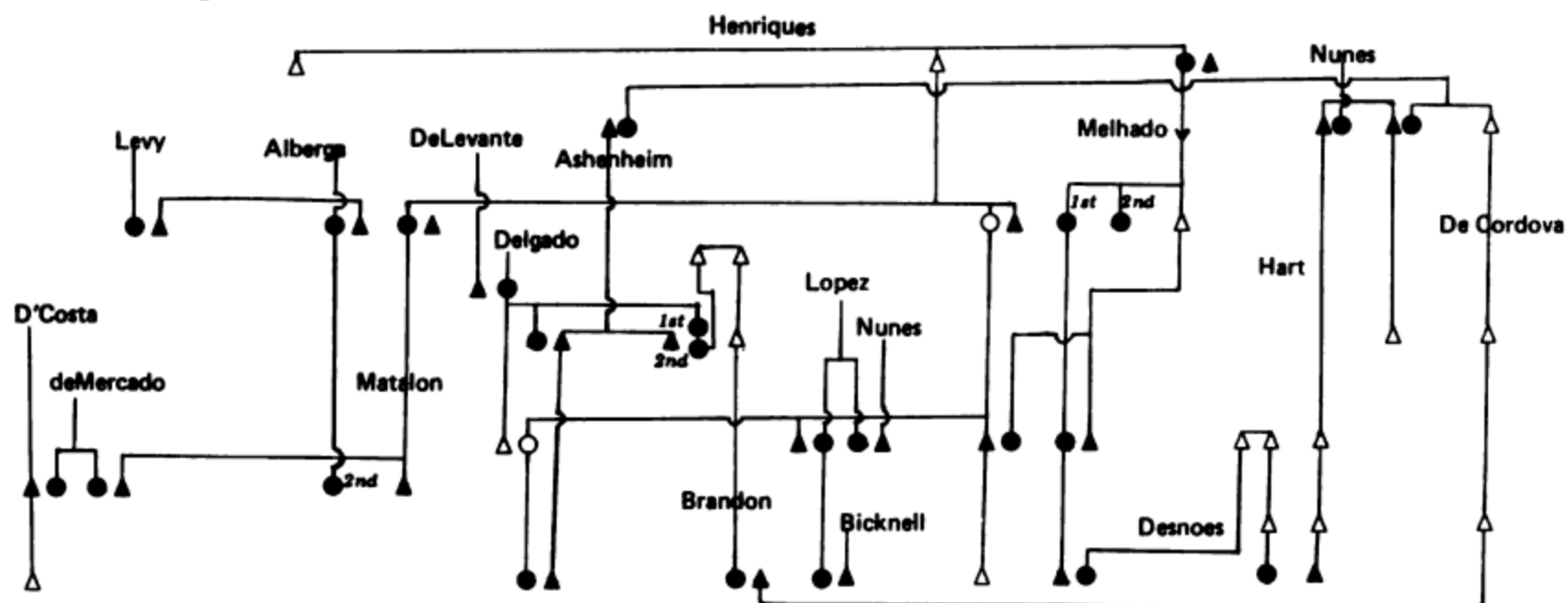


- ▲ Chairman—West Indies Glass Company Ltd.,
 West Indies Pulp and Paper Ltd.

- (1) Chairman—Coconut Industry Board
 (2) Director—Sugar Industry Capital Rehabilitation Board
 (3) Chairman—Social Development Commission
 (4) Director—Jamaica Railway Corporation
 (5) Director—Jamaica Mutual Life, Bank of Nova Scotia

(Family linkage of supergroup—Henriques, Desnoes, Ashenheim).

Appendix B₅

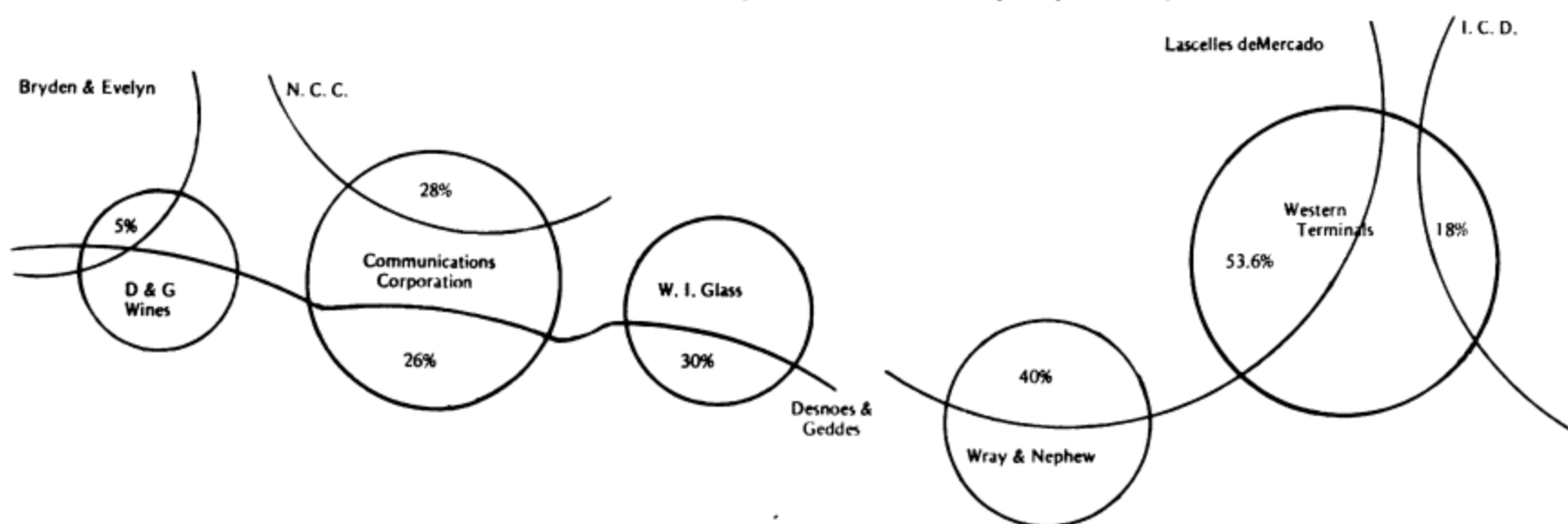


Simplified Scheme of Family Relationships Between Supergroups and Constellation Families (74 Directorships, 18 Chairmen)
ASHENHEIM, HART, HENRIQUES, DESNOES, MATALON.

▲ or △ ... Male ● or ○ ... Female | ... Issue ▲● or △○ ... Marriage

APPENDIX C

Corporate Interlocking Through Another Company—Samples



FOOTNOTES

1. See Ainsley, Mark, "Public Companies, Private Companies and Disclosure", St. Augustine, UWI, 1973, for a rudimentary survey of corporate concentration in Trinidad.
2. These shortcomings and the implications of the Jamaican Companies Act are dealt with at some length by D. C. Sale in "Company Law Reform", a paper presented at a seminar on accounting practices by the Jamaican Institute of Chartered Accountants, 1974.
3.

M. Matalon and G. Penso	3,998 acres
D. A. Delgado	431
H. O. A. Dayes	2,309
Sir A. DaCosta	1,430
Aguilar group	2,246
A. C. Lopez	3,614
M. C. Orrett	1,210
Roper group	3,190
K. Hart and son	1,067
DeLisser group	9,106

representing 28,511 acres of grazing land, bananas and citrus. **Jamaica Handbook**, 1952-53. See also Schlesinger, B., "The Jews of Jamaica—A Historical View", **Caribbean Quarterly**, Vol. 13, No. 1, March 1967.
4. Although this might be seen as a dilution of concentration it merely reflects the fact that most large holdings are left idle or used as grassland reflecting lower property values.
5. Reservations as to the use of accounting data and the weaknesses of analytical indicators such as capital or any basis of nominal stock ownership is made by H. Nomura—Critical Studies in Accounting Data as a Guide to Corporation Analysis —The Kyoto University **Economic Review**, September 1974.

In countries far more sophisticated and open than Jamaica market conspiracy and monopoly intent are as difficult to prove, and these difficulties are discussed in Levine, P., "Defendants' market power as a requisite to a *prima facie* case", **Columbia Law Review**, Vol. 3, 1451, No. 7, 1973.

One of the directions that further analysis is required is the concept of market integration as Adams, W.J. has said: "Traditional analysis of single markets has failed in providing a satisfactory dynamic framework for determining the present and potential power of resident firms and consequently analysis of inter-market linkages and total firm scale is a prerequisite to complete determination of the anti-competitive effects of any given merger." "Market Structure", Vol. 74, Nov. 1974, **Columbia Law Review**.

6. Representatives for foreign ownership, e.g., Vendryes, C., of Milholland, Ashenheim and Stone, Director of Guinness Ja. Ltd., representing Guinness Bros. (UK).
7. Used to refer to the individuals and families who are connected to the 21 families through the corporate network and may have either marital or professional connections.
8. Dunn [1971] has said in reference to law and political development of new states that law cannot be abstracted from its social and political context and emphasised that economic institutions, particularly private property, influenced the legal development of the North Atlantic systems.

He also pointed out that the majority of drafters of the United States Constitution were highly skilled professional lawyers and represented an economic oligarchy. A similar view of the Jamaican situation was taken by T. Munroe, **Politics of Decolonisation**.

"If we consider the legal class in North America in the context of politics as group and class conflict, it becomes clear that the drafting of the Constitutions was as much an example of law representing the values of a dominant class or group as it was a matter of enlightened constitution-making." [Dunn, W. N., "Law and political development of a new state", review and commentary, **ISER**, Vol. 20, No. 1, March 1971.]

For a conceptual understanding of the role of law see M. Cain, "The Main Themes of Marx and Engels' Sociology of Law", Vol. 74, No. 2, 1974—**British Journal and Society**.

9. To date only one West Indian writer, poet-playwright Derek Walcott, has comprehensively explored the role of the law as an instrument of control in post-colonial societies.

Walcott in **Ti Jean and His Brothers**, by use of dramatic metaphor, takes the position that the origin and nature of the contractual relationship and its juridical elements act as determinants for the development of the society. It is not surprising that he takes the position that abrogation of the contract between the elite in the

form of plantation owner and the community of labour is necessary for rebirth of the West Indian society. See **Dream on Monkey Mountain and Other Plays**, Farrar, Strauss, Giroux, 1970.

10. Coding as represented in Appendix A .
11. It is interesting to note that during the period in question (1947-1949) A. E. Issa, N. N. Ashenheim, D. K. C. Henriques, D. J. Judah and D. G. Fletcher of the "21" families were members of the Legislative Council, a body which had to approve legislation before it became law and was the most powerful political institution.
In 1948, Sir A. DaCosta was a Privy Councillor (his son is at present a director of the Cement Company). C. H. Browne and J. C. Hart were similarly Privy Councillors during the same period. See Prof. R. Williams, "Tax Incentives and Investment Behaviour in Developing Countries", occasional paper, ISER, 1975, for analysis of cement industry.
12. New Yarmouth is managed by T. H. Donaldson, also a Director of the Bank of Nova Scotia. Bernard Lodge is managed by H. E. Bicknell, a son-in-law of the Henriques family.
13. Caribbean Capital Market Symposium, *ibid*.

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Chapter 3

AGRARIAN RELATIONS IN JAMAICA

Of all the areas of the Jamaican society, it is in rural life that the most backward and oppressive conditions prevail. With 60% of the country's total population still living in the countryside, income for each employed person in agriculture averages only 1/3 of the national average between 1960-72. Widespread illiteracy and cultural exploitation, malnutrition (not merely for children, but also for adults), unemployment and under-employment, poor housing and health conditions are the lot of the country people.

It is not difficult to discover what are the social and economic relations which are responsible for these conditions.

TABLE I
Number of Farms by Size Groups, 1958, 1961, 1968/69

Year	Under 5	5 to under 25	25 to under 100	100 to under 500	500+	All farms	% under 5	% over 500
1958	141,224	53,000	4,012	639	314	199,489	70.7	0.15
1961	112,426	41,053	3,785	766	347	158,577	70.8	0.21
1968/69	151,705	37,607	3,055	699	293	193,359	78.3	0.15

Source: Agricultural Census 1968-1969.

These figures make it quite plain that over the post-war years leading into the country's independence, on the average over 70% of the farmers with farms under 5 acres of land occupied only 11-16% of total farm acreage; while on the other hand between 300 and 350 large latifundia representing between 0.15% to 0.2% of all farmers monopolised between 38-45% of all the farm land.

The significance of these figures is brought out even more clearly if one contrasts the average acreage amongst the 70% of farmers with farms under 5 acres (i.e. the vast majority of the rural population) with the average acreage of the handful of big planters.

In the post-war period the average acreage of the vast majority of the rural population varied between 1½ to 2 acres per farm family. Amongst the big planters however a different condition obtained: in their case average farm size has varied over the period between 2,198 to 2,222 acres per farm family.

Obviously here we are dealing with two entirely different types of farming. Obviously the small cultivators on their "farmlets" of 1½ to 2 acres are going to starve, are bound to try to seek work outside, will have to leave their plots periodically and in many cases abandon them altogether to become unemployed or proletarianised and to flock into the cities.

On the other hand, it is plain that the 2,000 plus acres in the hands of the big planters is way above what can be worked by their labour alone and they will have to employ many of the very same small cultivators whom they have forced into a corner of land. It is plain in other words that what we have in the countryside is a handful of big planter capitalists exploiting labour on the one hand, and a very large mass of rural peasant paupers and semi-proletarians on the other. This is confirmed by the fact that according to the 1968/69 agricultural census, as much as 56% of small farmers under 1 acre and 36.5% under 5 acres gain their principal means of livelihood from outside of farming, i.e. in some form of wage labour. On the other hand where the big planters are concerned, the census reports that only 26% of them report that their principal means is outside of farming.

Though this figure is low compared to that for the poor farmers it is still *misleadingly high*. It is misleading because the "outside employment" of the big farmers differs quite sharply from that of the poor. Among these big planters, outside employment consists of income from shares in industry, public utilities, real estate, shipping, transport and commerce, i.e. capitalist ventures, while among the poor, the precise opposite is the case. This is corroborated by the fact that "non-agricultural outside employment" constitutes fully 84% of employment outside the farm for big planters. The mass impoverishment and proletarianisation of the rural poor is also reflected in the figures for population growth between 1943 and 1970. From 1943 to 1960, despite the very heavy migration to the United Kingdom, the urban population increased by 93% from 280,000 to 541,000, while between 1960 and 1970 a further increase of 210,000 took place in the urban population and for the first time in the modern history of the country, rural population was stable or experienced only a slight increase (1.06 million—1960; 1.097 million—1970). As is well known, a high percentage of this urban increase is due to rural-urban migration.

Given these types of agrarian relations no one should be in the least surprised that there is a massive under-utilisation of land, that productivity per acre on our farms is very low, that we have a very high food import bill and that industrial development in the country, apart from bauxite, is of little significance. As long as agriculture remains in the hands of a handful of big and rich planters exploiting a mass of rural paupers, it will be impossible for it to become modernised, to produce the raw materials which industry needs to develop and conversely to provide much of a market for industrial products.

The History of Agrarian Relations

In order to understand how the peasant system of agrarian relations needs to be transformed it is necessary to understand how they have evolved over the years into the form which they take today.

By now, the work of Beckford in particular and also that of Wolf and Mintz has explained the character of the plantation system of agriculture in the Caribbean and Latin America. While in general their characterisation applies to Jamaica, there are certain specific features which distinguish the Jamaican plantation system from others. This has to do with the fact that it was in Jamaica more so than in any other plantation colony that the plantation system was developed to the most extreme degree and over the longest continuous period of time.

From the very beginning, in Jamaica in the 1670s the English colonialists seized particularly vast areas of land for themselves and the favourites of the English rulers, and massed on them very large numbers of Africans as slaves. For example, according to Dunn, Sir Thomas Modyford, Governor of Jamaica between 1664 and 1671 had staked out 21,218 acres of land for himself, his two sons and a brother, and had enslaved 400 Africans on his properties by 1670.

Dunn further records that in the second half of the seventeenth century, 88 land grants of 2,000 acres each were secured by English planters in Jamaica, often for nothing or for 1d. per acre, and another Governor—Lynch—obtained for himself 21,438 acres. (Dunn 1973:167).

The massive scale of the Jamaican plantations in comparison to those on other colonies prevailed throughout the entire period of slavery down to the time of emancipation—180 years later. Thus in 1832 at the beginning of apprenticeship 50% of all enslaved Africans on plantations were on plantations owning 150 and over people and 20% were in bondage to slave masters who owned a minimum of 250 Africans each. This high concentration of enslavement of Africans is brought home most sharply if we recall, as Highman reminds us, that in the United States South in 1860 75% of the enslaved Africans were owned in groups of under 50. At that time only 312 plantations in the South had over 200 enslaved Africans while in Jamaica in 1832 the number was 392. (Highman, 1970).

It is very important therefore to understand that the agrarian legacy which we have inherited in Jamaica today is of a special, particularly deep-rooted, particularly extreme and particularly oppressive kind.

The second point on which clarification is necessary concerns the nature of the economic system

which prevailed before and after emancipation. This point, a much disputed one, is of fundamental significance. Unless one is absolutely clear on this point, not only will many basic facts of rural history be obscured, but also the blame for the oppressive rural conditions existing today will be placed, as has often been done, on every factor except where it truly belongs (on the "lazy" labourers, on "labour shortages", exhausted soil, etc.). And if we do not have a clear idea of who and what are responsible for our present conditions, how will we change them?

The nature of the plantation system during slavery has often been characterised (by Mintz for example) as "capitalistic". If by this is meant that the planters were producing commodities which they sold in a market for profits, then of course this is true. But this is not by itself sufficient to make an economic system capitalist. From time immemorial merchants have been involved in such profit-making activities. During ancient slavery and under feudalism (and for many artisans and craftsmen today) this sort of activity occurred. But no one presumably would characterise these as capitalist.

What characterises capitalism is the exploitation of wage labour for the expanded accumulation of capital on a larger and larger scale as an end in itself. Under this economic system the labourer is without any means of production whatsoever, and in order to live, sells his labour power to the class of people who own the means of production. In return for the use of his labour power, the capitalist gives to the labourer that quantity of the means of subsistence which is necessary for him to survive and to maintain his family at existing levels, so he has to show up at work the following day. Under capitalism this means of subsistence takes a money form and the surplus value which the capitalist obtains also takes a money form and is accumulated by the capitalist.

Such an economic system is in sharp contrast to a feudal society where the labourer owns his own plot of land and his own tools, and provides with his tools his own means of subsistence as well as the surplus for "the lord of the land" by working for him without money wages.

It is also sharply different from slavery in which not only does the slave-master own the means of production, but owns the very labourers themselves. Under such conditions the slave-master takes not just the surplus, but all of the slaves' output for himself and "in return" gives the enslaved people a little food and old clothing to wear. As a result slavery requires a source of "unlimited supply" of labourers since, by its very nature, it destroys its labour force taking both necessary and surplus product. In Jamaica we know this from bitter experience since seven years was the average life span of a slave.

Compared to capitalism, slavery is a very uneconomical system. Large masses of labourers who cannot be discharged have to be provided for in however limited a sense whether they are needed or not; and modern equipment and methods of farming cannot be applied since labour is forced and therefore unwilling and unable to perform any but the simplest most minimal tasks. This uneconomic character of slavery in general is also confirmed by the long history of planter bankruptcies from the late 18th century into the first part of the 19th century.

Indeed, far from being capitalist, our system of slavery, if anything, developed within it certain feudal features. Here one is referring to the well-known fact that to a very great extent, slaves in Jamaica (at least from the mid-18th century) were required to provide the bulk of their own means of subsistence themselves by working plots on the back lands of the plantations—the so-called "mountain land" or "negro grounds". For this a certain amount of time was allowed by the planters who thus, in typical feudal fashion, divided the necessary labour of the slave from his surplus labour into labour done on two different occasions at two different places.

In summary, the plantation system prevailing at emancipation consisted of slavery which contained within it certain semi-feudal features. Indeed, the issue which was posed at emancipation in Jamaica, from an economic point of view, was precisely the need for a really **capitalist** economic system to be established, exploiting a free wage-labour force instead of slaves.

Emancipation

It must be said that there still exists no history which gives us a satisfactory understanding either from a factual or a theoretical point of view of what took place at emancipation.

Theoretically most studies take it completely for granted that only one path (viz., the one taken) was open to the country at that point. They do not even raise the question of alternative courses which history could have taken, and indeed which people at that time actually struggled to achieve. To most historians the plantation system's survival was the only viable course for events to take.

But why should this have been so? Was it for the preservation of the plantation system that Sam Sharpe and the people fought time and time again, or was it against this system? Why wouldn't it have been just as feasible historically that, if Sam Sharpe's revolt succeeded, revolutionary agrarian reform would have taken the land from the plantocracy and given the land to the people, as was attempted to some extent in Haiti? Wouldn't this have created a more productive, more industrious, more independent rural population than we have today? So why then are these questions neither raised nor discussed?

Looking at the question theoretically, as Lenin has pointed out time and again, it is possible for capitalism in agriculture to develop in two equally capitalistic ways, but ways which have profoundly different economic, political and social consequences for a country.

One way is the revolutionary way: in this path, the old economic relations are completely destroyed and with them the old social classes. Capitalist relations spring up freshly, unfettered by previous production relations. This creates particularly rapid economic development and this Lenin calls the "American way" in reference to the purely capitalist and very rapid agricultural development in the U.S. North-West and Mid-West in the 19th century.

The other path is the "Prussian Path" so called because of the fact that Germany's agrarian development in the 19th century typified it. Germany, especially Prussia, despite fertile agricultural land and very rapid industrial development never achieved levels of agricultural output comparable to the United States in the 19th century. And Lenin held that it was the development of agrarian capitalism in Prussia on the basis of feudal relations which was responsible for this. This second path is thus a reformist path in which capitalism develops only gradually over a long period of time.

Theoretically, and to some extent practically, these two paths of development were open to our country after 1833. The path which was chosen was by no means inevitable: it was a result of the failure of Sam Sharpe's revolt in 1831-32.

Because this revolt failed, emancipation was introduced by the British rulers themselves from "on top" in order to preserve their economic interests, on the basis of the plantation system, in the "Prussian" and not in a revolutionary manner. As a result of this many features of the slave plantation system were retained after emancipation and capitalism in agriculture developed only very slowly. As a result of this the most miserable conditions bedevilled the people after emancipation, a people now called upon not only to continue carrying some of the burdens of slavery, but also to add capitalist exploitation to this load.

In particular it needs to be emphasised that the continuation of the old agrarian relations within the newly emerging capitalist system of necessity meant that the entire cultural legacy of racial oppression and racial hatred of Africans by whites and mulattoes was of necessity passed on to the post-emancipation society, since it was out of the old agrarian relations that racism emerged in the first place.

This policy of only gradually allowing free labour to emerge which was above all embodied in the policy of having so-called "apprenticeship periods" (but by no means limited to that as we shall see), was a policy consciously pursued by the British colonialists. The best embodiment of this is the statement by Stanley, the British Colonial Secretary, in the emancipation debate in the British Parliament in May 1833. Said Stanley:

"But, Sir, while on the one hand, I am prepared to say that I would provide freedom for the existing generation . . . I would not on the other hand, by one single hasty act . . . I say, I would not, by one single, hasty step, at once remove all the shackles by which the slaves were now bound: I would not, at once, turn them from a state of hopeless slavery into one of unrestricted freedom for which they may be yet unfit."

There is a very widespread idea to which some historians have contributed, that after emancipation the people moved away from the plantations and set themselves up as an independent peasantry. Hall, for example, states that the impasse between the planters and the people "was broken by the exodus of the labourers from the estates". (Hall, 1969: 20).

By this idea one is easily led to another conclusion—that it was a shortage of labour created by the unreasonable labourers who refused to work on the estates which was responsible for the economic difficulties which arose at emancipation. In fact, Hall himself is of this opinion.

But nothing could be further from the truth. Time and again the reports of stipendiary magistrates make it clear that the people were extremely deeply attached to "the place where the navel string bury" and only left these places when they were ejected and persecuted out of them by the planters. (See Reports of S.M., 1838-39).

Even when the people were driven from the plantations by the planters, the idea that they all went to settle "in the mountains" is completely false. Thomas MacCornack, the overseer at Golden Grove and a Custos of St. Thomas in the East, a man of notorious cruelty and hostility to the people, and over twenty years' experience, was asked this specific question by the Select Committee of the House of Commons in 1842:

Q.: Have you known any inconveniences to arise in Jamaica from the practice of what is called squatting: the negroes taking possession illegally of uncultivated lands?

MacCornack: It does not consist with my own knowledge, because the people with us preferred to do what they are able to do, to purchase land in the cultivated part of the parish, instead of going back into the woods.

Not only did the people in the main not move away from the plantations and pens, but in any event in many cases what they did was to go and rent on another property; or when they did purchase, it was only a house spot; or when they did purchase "grounds" these were miniscule.

Knibb, the missionary, made this point clear before the same Select Committee in 1842:

Q.: Has it (the settlement of free villages) not a tendency to diminish the supply of labour to the estates?

Knibb: During the time they are building their house, but not afterwards; but perhaps the Committee will understand it better when I inform them that whenever I had to do with buying a place for a free village, I have tried to select a spot surrounded by a number of estates. For instance, I purchased a Pimento Walk at Duncans in Trelawny which was surrounded with sugar estates. I sold the land in lots; seldom any person bought more than two lots; each lot was 52 feet by 108 feet. The persons from the neighbouring estates bought up this land very fast, and during the time they were building there was a diminution upon the property; but after the houses were built the planters and overseers said, "Now we can get labour by task work whenever we want it; there is no quarrel about rent. They go and take a job to build a wall at so much a yard, or to clear pasture at so much an acre."

These are only two examples from hundreds of reports which tell exactly the same tale. Knibb himself estimates that there were only 3,000 (Baptist) freeholders in 1842 out of a possible 150,000 people. And the example of a settlement given by Hall himself makes it clear that these freeholders worked regularly as wage-labourers. (Hall, 1969: 23-25).

Since after emancipation only a small minority of the people settled in free villages and these continued to work on the plantations, what was the fate of the mass of the people? Again the reports of stipendiary magistrates from 1838-39 make it clear.

After emancipation the mass of the people in Jamaica were converted from the state of slavery neither to become an independent peasantry nor to become a proletariat; instead they became dependent tenants renting house and grounds from the planters at a rate of two days' labour per week payable in cash or labour and subject to eviction by the planters at one week's notice.

Because the planters retained their large tracts of land and because they also controlled the state (especially the courts) they were able to bring this situation about. In the years between 1838 and 1842 they ruthlessly used their economic and political power to establish their hegemony over the people in the new conditions. They resorted to any and every means, of which we will give examples shortly, to achieve their end. They forced down wages below the rate in apprenticeship; they withheld wages completely; they raised up rents for houses and grounds which had been built and cultivated by the people during apprenticeship; they destroyed houses and rooted up provision grounds; they charged rental on a per head basis, i.e., for each member of the family separately for a single house; they charged double rent even to sick and old for each day absent from work; they brought up the people before court incessantly so that the costs alone often exceeded the debts at issue; they ejected the people; they refused to pay the people at all for days worked if they did not work the entire five days for the week; they required that tenants should work on the estate of the landlord and not elsewhere.

These are only some of the more important economic measures which were applied to convert the people into a state of utter dependence on the planters after 1838.

All the accounts seem to agree that the harassment and oppression of the people by the system of "commuting labour for rent" as it was called was worse in the areas identified by Higman as slave latifundia in 1832 and especially in the St. Thomas, Portland and St. George's areas in the east.

On the coffee estates and pens and on sugar estates which had capital (such as in Western St. Mary and in Vere) though all the abuses against the people took place there as well, the oppression did not seem to be as acute.

In St. Thomas in the East, for example, the planters in the Plantain Garden River district formed a "combination" to pay only 10d. to 1/3d. per day wages after emancipation, despite the fact that they had paid 2/6d. per day in the apprenticeship period (Stipendiary Magistrate Chamberlaine, Jan. 31, 1839). At the same time, they demanded in return 7½d. per day rental (50%!) and when this was refused, issued the following notice:

"Thomas Hearn, having withdrawn from my service, after offering him equitable wages this is to give notice, that he is to pay me 3/4d per day for the use of his house and grounds, from the 1st day of August until the 1st day of November next, when he is obliged to quit this property." (SM Chamberlaine, September 4, 1838.)

In Portland, S.M. Lambert reported the following system at work in April 1839:

"At ——— estate (———esq., attorney), an able man contributes 3.4d. or two days' labour per week, for a house and ground; his wife gives 1.8d, or one day; and his children (of which suppose him to have one second and one third class) each give one day also or 2.1d, for the privilege of living with their parents, and being supported by them; making together, a reduction from the wages of such a family of 7.1d per week, or if estimated at the rate of wages paid to strangers on the same estate, of 9.2d per week."

In case it is thought that these abuses quickly came to an end by 1839 and equal relations were established between landlord and tenant, let us look again at the evidence of MacCormack before the Select Committee in 1842 concerning deliberate withholding of workers' wages:

Q.: Do you mean that if the labourers worked for three days in the week, and no more, when the Saturday morning came you would not pay him anything for the work he had done, unless he had worked five days?

MacCormack: Certainly not, unless he had been sick, or had other good reason.

Q.: Is that practice consistent with the Law of Jamaica?

MacCormack: Yes, I should think so, because he is told when he comes on the Monday, "Unless you work five days you get no pay."

Q.: In the case of a labourer who had worked only three days in the week and summoned you before a justice for payment of his wages for these three days, would it prove on your part a valid defence to say that he had not worked five days?

MacCormack: Yes, I would take proof with me to say that he was told "If you begin on Monday morning you must work five days"; I would consider that a perfectly valid defence, and I should hope that it would be considered justifiable.

Q.: Do you know that it is held to be a good defence?

MacCormack: Yes.

These long quotations, though sometimes tedious for the reader, are essential in order to prove what the conditions were like at emancipation for the people. Equally oppressive acts can be found in the same period for other parishes. For example, S. G. Barrett, the St. James planter, testified before the Select Committee that he gave work to the people only on the condition that they worked on his property and not elsewhere. Dr. H. S. Spaulding, an owner of coffee properties in St. Andrew and St. George's, testified how on occasion he exacted double rent from the tenants on his property when they did not work a full four days for the week. At Grove Place in Manchester, it was reported (June 1839) how "head money", i.e., rent on a per head basis, was charged. In St. Elizabeth in June 1839 S.M. Gurley reported that wages on some estates in the Nassau Mountains had not been paid for two months, while in 1842 Knibb testified about Penn Estate in Trelawny where the people had not been paid in three to four months even though they went to court more than once to recover their wages from the planter.

It is true that by 1842 things had settled down. But this is so only in the sense that the people had succumbed to a system of paying two days' rental for house and grounds, or no rental at all for house per week, and a wage of 1/6 per day; while the planters had gone over to a task-work system and abandoned in the main the per head system of rentals, the court harassment and the evictions. In general what was never altered until after 1938 was the tenure of the people—many remained tenants at will, subject to eviction with a week's notice and firmly **bound to work on the estates on which they lived** on pain of eviction.

When one looks at the economic substance of these post-emancipation labour-rent arrangements, what is striking is their incompletely capitalist character. Instead of paying the people in money, the planters succeeded in paying the people partially in wages and partially in kind, i.e., by giving them the hut and the land "free" or by charging them a high rental, i.e., by taking back some of their wages and so in effect accomplishing the same end.

Instead of being completely relieved of all means of production and subsistence, the people were deliberately encouraged to retain some means of subsistence of their own as was done during slavery in order to reduce money wages and to secure a supply of labour for the planters. No fully free market in labour was created after emancipation. This is why it is correct to refer to the plantation system which emerged after 1838 as semi-capitalist in the strict economic and scientific sense of the word.

Needless to say, this economic half-way house, though it survived for a remarkably long time in our country, was only a **transitional** economic relationship to a more fully capitalist wage-labour relation. Not much argument is needed to show that a tenant burdened with paying two days' labour per week for rent, or living "rent-free" while being forced to accept a pauper's dole on pain of eviction, must sooner or later either starve to death or abandon his hut and grounds and seek plain job-work devoid of these slave-like restraints.

Equally it is not hard to see that estates cultivated along such lines, i.e., by exploiting a crushed, semi-enslaved tenantry, would find it impossible to modernize agriculture by introducing ploughs

and railways on a large scale in the field, and vacuum pans and centrifuges in *the* factory. Jamaican sugar planters producing their old, wet, dirty, expensive muscovado sugar *were* bound to fall into bankruptcy as soon as they came face to face with really modern, really capitalist methods of sugar production.

Both these processes were experienced here after 1838 and especially after 1846 when the privileges which Jamaican planters had in the British market were removed. Despite efforts to re-finance these old plantations, especially after 1854, with the Encumbered Estates Act, despite the introduction of quite modern methods in *some* plantations, despite a reduction in wages from 1/6d. to 1/-, the provision of migrant labour and wage subsidies for the colonial estate, the planters nonetheless could not compete. Cuban and Brazilian soil was too fertile in the first half of the 19th century and French and German methods of beet sugar production were too efficient for the semi-slavemaster planters of Jamaica to compete with them. Between the 1830s and the 1880s they fell into bankruptcy and by the beginning of the 20th century not sugar, but banana was the main crop in Jamaica.

Just as the backwardness of the planters forced them into bankruptcy, in a similar fashion this backwardness drove the people to desperation and reduced them to the state of paupers. If they tried to occupy or buy abandoned estates they were driven from them by "surveyors" sent to reclaim the properties by new owners in England. If they sought regular payment of wages, they were taken before the courts and harassed.

Thus on the eve of 1865, a group of labourers wrote thus to the governor:

"When we were slaves we never had such heavy work, and after having finished these number of chains, with the expectation at the end of the week to obtain the amount of 6/-, we generally get 1/6 to 2/6 for the whole week's pay. The island has been ruined consequently of the advantage that is taken of us by the managers of estates. Whenever we have a case which may be taken before the planters' magistrates, they give us no satisfaction whatsoever, but combine with each other and take away our right."

Such a situation was what forced the people and Bogle to revolt and to fight against the inhumane, evil conditions. By crushing the revolt in 1865, and by the policy pursued by J. P. Grant thereafter the continued pauperisation and proletarianisation of the tenantry along this, the most painful road of social development ~~was secured~~. Under Grant after 1870, very repressive Land Laws were passed to prevent squatting, and approximately 295,000 acres of land was recovered and held by the government by the end of the century.

No wonder the report on the conditions of the juvenile population in Jamaica, despite being composed by the staunchest supporters of colonialism revealed a picture of utter destitution facing the people, of the complete and total destruction of family life by the extensive employment of child labour from as early as seven forced upon the parents by their impoverished circumstances; a picture of the uprooting of the rural population from a settled existence, and the throwing of them from abode to abode as "roving gangs" or "runners" or as unemployed; of the beginnings of the rapid influx of the rural population into the towns to face the most miserable and squalid tenement conditions, of a people suffering from malnutrition and clothed in rags.

Everywhere capitalist development, especially in its early stages of development, creates havoc and disastrous conditions for the working people. When capitalism goes forward on the basis of an older social system and adds its own methods of "rational" exploitation to the old brutal methods, a grim fate is faced by the people. Thus it was in Jamaica in the years after emancipation to the end of the 19th century.

The Twentieth Century

The collapse of the sugar industry by the early 20th century (except for rum production) was part of the general weakening of the British economy with respect to Germany and the United States which occurred at that time. In keeping with its generally expansionary policy throughout the world and especially in the Latin American and Caribbean, American economic interests also began to expand in Jamaica and to penetrate what had been until then a preserve of British interests.

As is well known, from the 1870s into the years after World War I, the United Fruit Company began to expand very rapidly in this region and especially in Jamaica. By the early 20th century they were probably by far the largest single private proprietor of land in the country. They by and large monopolised the banana trade and decided what buying prices prevailed in the local market.

As a result of the very large profits made by this company, many other large planters transferred to bananas and alongside them (in fact preceding them) many small, medium and well-to-do farmers also entered banana production.

While the development of banana production on a large scale played the decisive role in running the economy in the early 20th century, it was not sufficient to bring about rapid capitalist development. In the first place the industry was in the hands of imperialist interests, which for political reasons found it more suitable to expand and modernise their holdings in Central America where they had more or less complete political control rather than under the British in Jamaica.

Secondly, the local big planters who went into banana production were too weighed down with the old social relations of the plantation—drawing on a labour force predominantly from the dependent tenantry and “paying” them through various methods of sharecropping—to bring about significant economic progress. In any event, the entire economy was at that time organised to secure the interests of the British Empire and not for national ends.

Nonetheless, the period of banana production had one very fundamental effect on the social-economic system: as a result of banana, a much stronger and more prosperous class of capitalist farmers and well-to-do peasantry arose.

This is not to say that these social strata originated with banana production. This is far from being the case. From after emancipation there had always been a social stratum, very often drawn from the mulattoes, Jews and “better off” black peasants who grew minor crops for export—such as ginger, pimento and coffee.

But it was not until banana production expanded, in large measure due to their efforts, that they really became an important social and political force in the country.

From the wealth which was accumulated in banana farming, these prosperous farmers expanded into sugar cane production, into light industry, and into the professions, especially law and medicine. Though restrained and hemmed in by the big planters and especially United Fruit and Atlantic Fruit, they were also dependent on them, bound to them by buying contracts, transportation, financial and other arrangements. Consequently, they were not in a position, nor did they attempt it, to remove these other oppressive social forces from off the backs of the rural people, and to take the country along a new and rapid path of economic development.

Thus when the economic collapse came in the capitalist world after 1929, it hit an economy which was extremely weak—essentially a banana economy with some sugar production. Many of the contradictory backward economic relations were swiftly destroyed and very large numbers of an already destitute rural population sunk into even deeper misery.

TABLE II

Number and Acreage of Farms by Size Groups—1942

	Size Group	Number	%	Acreage	%	Average Acreage
Peasants ruined by tenantry and capitalism	Under 0-5	115,816	77.64	130,413	7.32	1.1
Middle peasants	Under 5-25	27,891	18.69	281,311	15.80	10.08
Well-to-do peasants	Under 25-100	4,044	2.71	170,179	9.56	42.08
Capitalist farms	Under 100- 500	878	0.58	130,709	7.34	148.87
Land barons	500+	540	0.36	1,067,497	59.96	1,976.84
	TOTAL	149,169	99.98	1,780,109	99.98	11.93

Sources: 1943 Census; *Digest of Agricultural Statistics*, 1953.

We can form a fairly accurate picture of agrarian relations in the countryside at that time using the census of 1943 which was carried out only four years after the great *political* struggles of the rural masses, under the leadership of the working class, erupted in 1938, one hundred years after emancipation.

From these figures we can see the old familiar story. Tiny plots of land at the bottom for the mass of the rural population to linger on, while the big planters had more than they could possibly manage.

At the same time, we notice the significance of the groups in between these two poles. Obviously, in addition to the land barons, there were at least two other social strata in the countryside who together made up only 3.29% of all farms but who had 17.3% of farmland and who on the average owned more farmland than they could farm with their own labour, and who, it can therefore be inferred, also exploited labour.

If we look at the data from the 1943 census from the point of view of labour, very interesting results emerge.

TABLE III

Number of Labourers Employed by Size Group, 1942

	0-under 5	5-under 25	25-under 100	100-under 500	500+	ALL
Farms	115,816	27,891	4,044	878	540	149,169
Labourers	59,596.65	37,425.35	13,974	10,763	26,520	148,279
Labourers per farm	0.51	1.34	3.45	12.25	49.12	0.994

Source: *Census of Jamaica, 1943.*

From these data it is obvious that employing labour on a significant scale was a way of farming and of life for the big planters, the capitalist and the well-to-do farmers. Amongst some farms an average of over three labourers were regularly employed. On the others, in the middle peasantry, the figure was just over one labourer employed per farm while amongst the poor peasantry two farms would share one labourer. The fact that the poor farmers did not as a rule employ labour but, on the contrary, provided a pool of labour for the capitalist farmers and the big planters is corroborated by the fact that about 45.8% of "farmers" in the under-5-acre category in 1942 were estimated to have worked off the farm as well. (*Census of Jamaica, 1943*).

In addition to the fact that the big planters, capitalists and well-to-do farmers had the lion's share of the land, of irrigated land, of agricultural machinery, of mules, horses and cattle, also of interest is the fact that they **also** were responsible for the greater quantity of land rented.

TABLE IV

Estimated Distribution of Rented Acreage by Size Group, 1942

	0-under 25	5-under 25	25-under 100	100-under 500	500+
Number of farms	115,816	27,891	4,044	878	540
Acreages rented	43,968.89	24,559.71	15,090	7,614	29,112
Av. acreage rented per farm	.379	0.88	3.73	8.67	53.91

Source: *Census of Jamaica, 1943.*

According to these data the smallest farms rented on the average half an acre of land. On the other hand the big planters who were already in possession of very large acreages of land, rented on the average 54 acres of land each. When we look at the total number of renting farmers then the small farmers are the overwhelming majority. But when we look at the acreage rented by such

farmers, we see their real insignificance. Here again it becomes quite clear that we are dealing with two entirely different types of rental.

At the bottom, amongst the mass of the farming population, we have renting from dire need and necessity, renting a corner of land, a house spot, out of desperation. At the top, amongst the big planters and capitalist farmers renting is of a different significance; here renting is on a commercial scale: these farmers are not involved in renting for subsistence, but in renting land to be utilised for cash crops and which will require the employment of wage-labour, for profit-making purposes.

When we put together all the results of land ownership, labour, rental, ownership of capital, and we remember also that the quality of the small farmers' land is infinitely inferior to that of the capitalist farmers and big planters, then a true picture of the misery of the rural semi-proletarian tenantry in 1938-42 emerges.

Perhaps, however, the most interesting data which the 1943 Census provides and which are unavailable in the others are racial data. These data have in the past been criticised as subjective and biased. While this to some extent is true, it would be going too far to say that this makes the data useless, especially since, given the character of our society in 1942, the bias would be in the direction of over-representing brownness and whiteness. From one's knowledge of the society, one could expect this subjective bias to affect more the well-to-do and capitalist farming groups and not so much the two poles of the society.

TABLE V
% Racial Origin of Farmers by Size Group, 1942

	0-5	4-25	25-100	100-500	500+
Black	84.5	77.5	58.3	13.25	13.7
Coloured	13.41	20.02	35.41	44.64	39.44
White	0.27	0.94	4.05	19.58	46.11

Source: Census of Jamaica, 1943.

These data confirm what we know from practical experience—namely that the bulk of the big planters and capitalist farmers were from minority ethnic groups—white and coloured. Taken together with the estimates from the following table it shows the very great extent to which land-ownership was the economic foundation of racial oppression in the country.

To summarise then: the situation in the countryside 100 years after emancipation presented a clear picture of a mass of impoverished black tenants on the one hand ekeing out an existence on small bits of infertile land; and on the other, the monopoly of the bulk of the farmland by big planters who were in the main white and coloured.

TABLE VI
Estimated Total Ownership of Farmland By Racial Origin, 1942

	No. of Farmers	% of Total No. of Farms	Total Farm Acreage	% Total of All Farm Acreage
Black	122,254.9	81.955	616,276	34.67
Coloured	23,157.25	15.52	613,446.9	34.46
White	1,173.2	0.786	527,716.1	29.6
TOTALS	146,585.37		1,232,286.4	98.55

Source: Census of Jamaica, 1943.

In between these two groups was a pivotal group of farmers of mixed *racial* origin, who farmed land on a capitalist basis and who exploited the labour power of the *impoverished* tenantry.

Conclusion

The persistence of a uniform pattern of land monopoly over the years in Jamaica from as early as the conquest of the country by the English colonialists, through emancipation, into independence, indicates how fundamental a feature this is of our social and economic structure.

Despite Baptist free villages after emancipation, despite land settlement schemes and land utilisation schemes in the 1950s and 1960s, and despite the land-lease schemes of the 1970s, the pattern persists. (See "We support the peasants of Westmoreland" by James Williams. *Socialism!*, No. 7, July 1975).

The reason for this is quite clear: none of these programmes has ever attempted to capsize the existing state of agrarian relations. The approach which has usually been adopted and which is clearly reflected in the government's Green Paper on Agriculture (1973) is to ask how much land, etc. is available to turn over to the peasants **without** damaging the "rights" of upper strata farmers and planters. Or, to put it another way, what is a "feasible land norm" to aim at given "present constraints"?

No one should be surprised if such an approach fails to alter the historic pattern of agrarian relations in the country except in the sense of advancing even more rapidly the ruin of the peasantry and the prosperity of the capitalist and well-to-do farmers.

Since it has not been done so far as far as is known, it would be useful to picture the situation in the countryside if just such a fundamental land reform were attempted.

Using the 1968/69 Agricultural Census, if all farm land over 25 acres (919,200 acres) were to be expropriated and added to the land which the poor farmers under 5 acres already own, then this would put the average farm size of the poor and the expropriated farms to about 7.37 acres per farmer. This would put them close to the present average farm size of the 5 to under 25 farmers (9.06) acres per farm). A basis would thus exist for drawing all farms together into co-operative forms of production since all would be in the 5-25-acre range and all could participate on a relatively equal footing.

Undoubtedly, many technical problems are presented by such a proposal. However, there can be no doubt that the major obstacle to achieving this goal is political and social, not technical. At the same time it should be clear that if we do not have this or a similar democratic agrarian reform then the misery and degradation of the rural people must become worse, and the enrichment of a small clique of well-to-do and capitalist farmers must continue, the system of racial oppression must persist and agricultural development continue to proceed at the present snail's pace.

TABLE VII
Land Distribution Under Radical Agrarian Reform

Acres	Number of Farms	Acreage	Av. Acreage
Under 5	155,752	1,148,400	7.37
5 to under 25	37,607	340,800	9.06
TOTALS	193,359	1,489,200	7.70

Source: 1968/1969 Agricultural Census.

DON ROBOTHAM

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Chapter 4

THE POLITICAL ECONOMY OF GAMBLING IN A NEO-COLONIAL ECONOMY

Introduction

Marxist and non-Marxist criticisms of capitalism as a model of economic and social organisation have tended to concentrate both on class exploitation and the effect of capitalism in retarding the growth and development of the forces of production. Both phenomena tend to be linked by focussing on capitalist exploitation of labour in essentially productive economic activity through the principle of surplus value or alternately by revealing the appropriation of Third World mineral wealth and resources by monopoly foreign corporations. Entirely absent from this analysis is any examination of the more parasitic forms of capitalist exploitation that involve no productive activity and operate on the periphery of the main sectors of organised economic life.

The parasitic sectors of capitalism represent an organic part of the capitalist system in that they emerge in response to contradictions inherent in the capitalist model. These parasitic sectors of the capitalist system operate as disguised agents of class oppression on the proletariat and subproletariat, as well as provide a vehicle of class mobility and economic power for the more marginal strata within the capitalist class.

With the growth of monopoly capital within capitalism and the increasing concentration of wealth in the hands of large corporate firms, financial institutions and the state, small productive and distributive businesses decline. The effect is to threaten the rate of expansion of the capitalist class and in particular the mobility aspirations of petit-bourgeoisie. Parasitic economic activities such as gambling reverse this effect by opening opportunities for petit-bourgeois capital accumulation.

Where uneven rates of development occur in capitalism between the growing affluence of the 'metropole' and persistent poverty in the 'hinterland', parasitic exchange through gambling in the 'hinterland' emerges as an outlet for the frustrated economic and social aspirations of the impoverished or relatively deprived strata. Illusions of the possibility of instant personal wealth present an attractive "mirage" of salvation from the trap of poverty and the barriers to realising rising expectations in a context of limited opportunities for upward social and economic mobility. These mass illusions provide the basis for large-scale financial support for parasitic capitalism in spite of low wage levels among the working people.

The political effect is to heighten false consciousness in the masses by sublimating class consciousness, class militancy and anti-system alienation among the proletariat and subproletariat in the rituals of gaming, gambling and betting in which pre-capitalist illusions of individual luck, chance and fortune become a main vehicle for channelling and expressing economic discontent and relative deprivation. The economic effect is to redistribute vast sums of the wage income of the proletariat and subproletariat to the grasping petit-bourgeoisie and thereby further accelerate the maldistribution of wealth in the society. Unlike surplus value exploitation which generates class antagonism through industrial conflicts of varying intensity, class exploitation through parasitic capitalism is painless and avidly accepted as legitimate by the exploited.

This paper attempts to assess the class implications of gambling in Jamaica with a view to examining some of these propositions. The data presented were taken from a national sample survey conducted by the National Betting, Gaming and Gambling Committee. The sample included 3,033 respondents and was designed to focus on both the behavioural and attitudinal aspects of gambling practices in Jamaica.

The Jamaican Social Structure

Like most neo-colonial economies exploited by foreign multinational corporations and finance capital, Jamaica presents ideal conditions for the growth and expansion of parasitic forms of capital-

ism. The commanding heights of the economy are controlled by large North American corporations engaged in tourism, bauxite mining, sugar manufacturing, banking, manufacturing enterprises and construction. The growth of large foreign-owned corporate firms has been paralleled by the consolidation of large locally-owned corporations such as N.C.C., I.C.D., and Pan-Jam Trust which have both absorbed smaller businesses as well as expanded along the lines of highly integrated productive and distributive activities that control large sections of the economy. As a consequence, the viability of small business has declined and its access to investment capital been limited. The majority among the various middle strata of Brown, Chinese, Syrian and Jewish ethnic and racial groups who hitherto formed the bulk of the small business class are increasingly being forced into corporate executive and professional employment as an alternative to small business.

The class structure is characterised by both a high degree of maldistribution of wealth as well as a high though declining correlation between whiteness, near-whiteness and minority ethnic characteristics and wealth. Between the more affluent foreign and local white capitalist economic elite who consist of not more than twenty closely knit families and the worker-peasant strata at the base of the society, there is a large and ethnically diverse urban middle class of professionals and white-collar workers and middle-level farmers who earn moderately high incomes. The Black worker-peasant strata are divided into a small but relatively high-wage artisan and highly skilled labour aristocracy and a majority of unskilled, semi-employed, unemployed subproletariat and a poor peasantry.

Survey studies of the Jamaican population have consistently pointed to the existence of very high levels of relative deprivation among the worker-peasant strata at the base of the society as well as to the limited educational, income and occupational opportunities to meet their rising aspirations. The resulting mass social alienation has been related in earlier studies to the incidence of large-scale emigration to the U.S.A. and Great Britain, urban crime at both the organised and petty levels and political apathy and militancy.

The middle and upper levels of the society live in perpetual fear and hysteria with respect to the possibility of open class warfare stimulated by radical intellectual agitators, racial violence from the black masses, militant left-wing versions of socialism that may threaten their fragile hold on the economy and populist political demagoguery that may activate mass antagonism to the more privileged strata. Their continued influence on the party political process has preserved a conservative inertia in policy formulation and leadership approaches to change, that merely responds to mass discontent rather than initiates reforms based on some ideological framework or clearly defined public policy priorities.

Myths denying the reality of class and racial cleavages abound, while anti-Black racist practices persist in the private sector of the economy and the tourist areas. Upward mobility for Blacks into the business class is severely restricted as a consequence. Gambling and other parasitic activities provide one route by which to by-pass these obstacles.

Rapid urbanisation of an essentially small peasant society has preserved among the urban working class of white-collar, manual skilled and unskilled workers, many of the values and attitudes of their middle and small peasant origins. These include strong beliefs about spiritual and magical forces, a reverence for biblical and religious ideas and themes, strong ambitions for property-owning and the independence associated with own-account activity, where the individual has no boss, a competitive individualism and an acceptance of elitist, authoritarian and inegalitarian values. Of particular relevance to this study is the extent to which these peasant-rural value orientations generate a belief in chance, fortune, the predictive and prophetic power of dreams and the determination of individual success and failure by hidden spiritual forces. These orientations provide a body of values and attitudes that facilitate gambling and games of chance. The latter provide an expression of the beliefs in unseen forces directing the individual's life chances and successes. Frustrated economic and social aspirations therefore seek fulfilment in these games of chance by consciously or unconsciously seeking to manipulate and draw on the aid of these unseen forces. Dream experiences as a predictive device therefore provide a major input into gambling decisions.

The Organisation of Gambling

The gambling sector of the Jamaican economy consists of three main areas *which differ in magnitude, class participation, status respectability as well as legal status*. The most important area is that of horse racing and book-making which is legal, attracts government revenue and embraces participation from all strata in the society. The breeding and racing of horses is controlled by the ethnically mixed petit-bourgeoisie and bourgeoisie, and involves Syrians, Chinese, Blacks, Browns, Jews and Whites who lend a quality of social respectability to this aspect of the enterprise. The "get rich quickly" mentality of the grasping petit-bourgeoisie has also introduced an element of crime in the bribes and race-fixing that are revealed publicly from time to time in horse racing.

The running, organising and financing of horse racing are controlled by a group of the bourgeoisie distinctly different from that which controls book-making. The former consists of the more established petit-bourgeoisie and bourgeoisie families whose investment in the enterprise derives from income earned from other economic activities such as agriculture, commerce, professional services and real estate. The latter consists of a more recently established element within the petit-bourgeoisie whose capital accumulation has come primarily from gambling and who therefore are somewhat lower in social status. Book-making represents a parasitic appendage of horse racing which has been able to control a disproportionately large share of weekly betting sales. Some 90% of the total volume of betting is channeled through the off-course book-making side of the enterprise which contributes very little to the financing and development of the horse racing end of the business. The separation of interests is the source of considerable animosity and conflicts between the book-makers and race-track interests.

A second area of gambling consists of a variety of low-status and illegal forms of petty gambling which are controlled by poorer strata within the petit-bourgeoisie. These include "drop-pan" or "numbers" and "peaka-peow" which are controlled mainly by the Chinese. Persons who engage in these forms of gambling are subject to periodic police harassment and as a consequence the clientele comes primarily from low-status strata. The more the society engages in gambling on a large scale the more these illegal and low-status forms have tended to give way to horse racing.

A third subsidiary area of gambling consists of unorganised gambling conducted in households and within small groups of friends who share common status positions in the society. This operates at varying social levels but mainly within the petit-bourgeoisie (especially among the Chinese) and the working class where dice, card games and other such related games are popular.

A fourth, but recently banned, area of gambling embraces two main forms of commercialised gambling. These include electronic betting machines and a National Lottery run by the Government as a means of earning revenue and generating employment. Opposition pressure coming mainly from the highly organised Church Lobby resulted both in the banning of betting machines and the closure of the National Lottery.

The level of mass involvement in gambling is reflected in the fact that approximately 50 percent of the sample surveyed were engaged in some form of gambling. It remains, however, to establish more precisely from the survey data, the class patterns of gambling practices, the relative amounts spent by various strata and income groups, the aggregate national expenditure on gambling and the attitudes of the various strata in the society towards the lucrative gambling enterprise.

Several propositions and suggestions are raised by these data. The first is that the greater dependence of the working class on cash income makes it more of an easy prey to this form of parasitic capitalism than the peasantry. The second is that the higher level of gambling participation among the better-paid strata of the manual working class suggests the degree to which wage increases won by hard trade union struggles both fall short of workers' material aspiration in a backward capitalist economy and get redistributed to the grasping petit-bourgeoisie through the mechanism of parasitic capitalism.

The third is that the high level of gambling among the unemployed may be an index of the acceptance of parasitic capitalism as a viable alternative to low-wage employment by many of the almost 30 percent unemployed among the Jamaican labour force that has been detached from the means of production for considerable periods because of the backwardness of the economy. This phenomenon also suggests some possible linkages between the need for money by the unemployed to invest in betting and the incidence of petty crimes and thefts by that stratum.

TABLE 1
CLASS AND GAMBLING INVOLVEMENT
TYPES OF GAMBLING (% GAMBLERS)

CLASS	Any Gambling	Horse-Racing	Peaka-Peow	Weekly Gamblers
Working Class				
Unemployed	40	32	10	18
Unskilled	48	41	6	26
Semi-skilled	61	46	11	21
Skilled	72	50	19	25
White Collar	49	36	9	12
Petit-Bourgeoisie				
Self-employed	37	31	6	18
Professionals	28	25	1	8
Small businessmen	50	33	0	14
Peasants				
Small peasant	24	10	6	5

Table 2 shows the relationship between income levels and occupation and the sum spent weekly on gambling. Although the sums spent by those of higher income exceed those spent by lower-income strata, the latter spend a much larger proportion of their income in gambling. Given the fact that the low-income strata earning less than \$20 per week make up the majority of gamblers in that they represent approximately sixty percent of all gamblers, the fact that they spend proportionally so much more of their income on gambling further underscores the regressive income redistributive aspects of this form of parasitic capitalism.

TABLE 2
CLASS, INCOME AND WEEKLY AVERAGE GAMBLING EXPENDITURE
(Among Respondents Who Gamble)

CLASS	Weekly (\$) Expenditure	Income	Weekly (\$) Expenditure
Working Class			
Unemployed	2.50	No Income	2.40
Unskilled	3.20	\$1-\$9 p.w.	3.50 (52%)
Semi-skilled	3.60	\$10-\$19 p.w.	3.90 (27%)
Skilled	4.90	\$20-\$49 p.w.	5.80 (18%)
White Collar	5.20	\$50-\$99 p.w.	5.70 (6%)
Petit-bourgeoisie			
Self-employed	4.60	\$100-\$199 p.w.	5.90 (2%)
Professionals	9.00	\$200-\$500 p.w.	15.00 (1%)
Small businessmen	14.00		
Peasants			
Small peasants	2.80		

These low-income workers represent a majority of the strata that are painlessly exploited by illusion of instant wealth through gambling which re-allocates working-class incomes to the petit-bourgeoisie.

The magnitude of this income redistribution was assessed by calculating from *the* weekly gambling expenditure levels in this sample, the aggregate level of annual gambling expenditure for the main form of gambling horse racing. The calculation was made assuming similar levels of gambling expenditure for the various occupational strata in Jamaica as was found for these strata in the sample. Total aggregate expenditure on horse racing, the main form of gambling, was found to be approximately \$95 million per annum. This amount is more than twice the official income on which the industry pays tax revenue.

This means that horse racing is one of the major economic enterprises in the Jamaican economy, exceeded only by bauxite mining, tourism, construction, commerce and manufacturing activities. Taking into account the limited cost factors involved in the enterprise which are limited to rent, clerical and administrative costs, and dividends, it is likely that the rate of return to the operators is higher than that in any other economic enterprise excepting bauxite production.

Attitudes to Gambling

It is of some importance to assess, from the sample surveyed, the attitudinal orientation of both gamblers and non-gamblers towards gambling to determine the character of the societal values that support this form of parasitic capitalism. Of special importance here is the identification of particular supportive or non-supportive values that are strongly held by particular classes and social strata. These orientations have to be seen against a background of the constraint criticism of organised gambling by the more respectable churches in Jamaica, mounted mainly on moralistic and religious grounds.

Although the data presented earlier pointed to a relatively high mass involvement in gambling, attitudes towards gambling tended to be mainly negative and ambivalent. Only a small minority of the various occupational strata within the working class and an even smaller proportion of the petit-bourgeoisie saw gambling as an unequivocally good practice. In each case, the majority opinions within the strata and classes were negative as can be seen from Table 3. Closer examination of the

TABLE 3
CLASS AND EVALUATIONS OF IMPACT OF GAMBLING

CLASS	EVALUATIONS		
	Bad %	Both Good & Bad (Ambivalent) %	Good %
Working Class			
Unemployed	51	19	24
Unskilled	58	12	22
Semi-skilled	54	24	14
Skilled	51	30	14
White Collar	53	30	9
Petit-bourgeoisie			
Self-employed	57	15	21
Professionals	71	20	6
Small businessmen	66	17	9
Peasant			
Small peasants	70	13	10

data in Table 4 revealed, however, that most of the negative opinions were confined to non-gamblers and irregular gamblers, although a significantly large 48 percent of the regular gamblers were ambivalent about its effects.

The high level of ambivalence and engative attitudes towards gambling among the irregular gamblers and the high degree of ambivalence among the weekly or regular gamblers raise an interesting question as to how one accounts for the apparent discrepancy between behaviour and attitudes.

One possible explanation for the discrepancy is the extent to which persons engage in gambling in spite of these negative and ambivalent attitudes about gambling generally because somehow they believe that they are endowed with special personal fortune or luck. This means that there is a faith in favourable results from betting that is unrelated to actual betting losses incurred by the gambler or other gamblers.

TABLE 4
GAMBLING BEHAVIOUR AND ATTITUDES
Opinions of Gambling (%)

	Good	Bad	Ambivalent
Non-Gamblers	6	76	10
Irregular Gamblers	9	39	45
Weekly Gamblers	41	3	48

This proposition assumes that these evaluative orientations towards gambling derive mainly from beliefs about potential losses or gains from the activity rather than from moral or other consideration. It means, in effect, that even where mainly negative or ambivalent feelings obtain on whether gambling pays generally, many will engage in gambling in the belief that they are endowed with special fortune. Table 5 sets out the main reasons advanced for ambivalent and unfavourable and favourable attitudes to gambling. It will be noted that in each case assessments of the potential losses or gains from gambling form the main criteria for the attitudes.

Seventy-five percent of the sample who are ambivalent to gambling engage in the practice and as many as thirty percent of the working-class gamblers view the activity negatively. The main reason advanced for both the negative and ambivalent attitudes is that many people lose money from the activity which they can ill afford. But in spite of this they continue to gamble. The tendency in their responses was to see themselves as exceptional in that they enjoy good personal fortune.

Another factor that may be contributing to the discrepancy is the extent to which cash needs so far exceed income earned with the result that gamblers are trapped in a habit that offers at least a hope of realising instant wealth.

TABLE 5
EVALUATION OF GAMBLING AND UNDERLYING REASONS

EVALUATION	REASONS FOR OPINIONS (%)				
	Financial Gains or Losses	Entertainment	Moral or Religious	Work Habits	Criminal Influence
Bad Effects	37	0	18	8	10
Both Good & Bad Effects	34	10	22	2	6
Good Effects	38	22	0	0	0

Whatever the precise psychological reasons for this seemingly compulsive behaviour the discrepancy between general attitudes and behaviour especially among the irregular gamblers indicates the deeply rooted character of gambling habits among the working class.

Of central interest is the extent to which the peasantry is less positively oriented to gambling than the working class. This raises the question of the earlier suggestion that some of the values supporting gambling are derived from the pre-capitalist peasant structure. It would seem to be the case, however, that the working class combines both the peasant attitudes to chance and fortune because of their recent mobility from the rural peasantry to urban wage labour as well as the high relative deprivation characteristic of urban class formation. This combination of factors could account for the greater pro-gambling tendencies among the working class as against the peasantry, as well as the higher pro-gambling tendencies among the working class as against the petit-bourgeoisie and middle class who are further removed from peasant values.

Conclusion

This paper has attempted to show the entrenched character of parasitic capitalism in the form of gambling in the Jamaican economy, on a scale that massively but painlessly redistributes income from the working class to the petit-bourgeoisie. It speaks to a dimension of class exploitation that is often ignored in the focus on large multinational corporations, and has parallels in the parasitic forms of capitalism that exploit the Black community in the U.S.A. Parasitic capitalism is seen as promoting a form of false class consciousness that seeks outlets to class frustrations in pre-capitalist illusions of luck and chance that feed the coffers of the grasping petit-bourgeoisie with hard-earned working-class income.

Clearly, there is a strong case for appropriating the profits accruing from gambling and diverting these to purposes that meet mass needs. Community projects and facilities, co-op enterprises, housing, sports and games, agriculture and a host of other people-related activities should be funded from these profits which now fatten the pockets of the parasitic capitalist classes. Of course, ~~gunmen~~ have long since recognised that these profits deserve to be plundered by the poor. The society needs to follow on this instructive lead.

CARL STONE

Chapter 5

BLACK NATIONALISM IN JAMAICA IN RECENT YEARS

The racial question has been at the core of all the democratic political movements in Jamaica since the days of slavery. It continues to be a central question because present-day Jamaica has evolved slowly and painfully for the working class and the peasantry out of the old slave-owning Jamaica. There has been no revolutionary transformation of the old economic order born of the slave plantation system and perpetuated by colonialism and imperialism. The economic changes that have taken place since independence in 1962 have not uprooted the stronghold which the descendants of the slave-owners have in the economy. They still retain vast landholdings acquired over decades; much of their land continues to be either idle or under-utilised; and today's peasants still rent and lease portions of these large properties just as their forefathers did—a system of semi-slave tenantry and tenant/landlord relations which dates from slavery.

Efforts to uproot this old economic order have been sporadic and dependent on the level of development of the class struggle in the country, that is, dependent on the relation of forces between the various classes.¹ In this confrontation, the organisational development of the masses has so far tended to be generally weak, so that as yet only superficial changes have been made to the economic structure and therefore to the social order, and basically the system remains entrenched. Meanwhile, capitalist development in banking, agriculture, transport, commerce and industry, as well as the growth of the public sector in these areas, have taken place in Jamaica over the last two decades, with a consequent rise in the standard of living for some; but a capitalist economic system clearly cannot definitively solve the problems of glaring inequalities in income; furthermore, it actually promotes unemployment in order to keep wages depressed, and evils such as malnutrition, illiteracy, and crime issue from the poverty, ignorance and social oppression spawned by such a system. In fact, capitalist development has taken place on the basis of the preservation of the old plantocratic system on the one hand, and on the other, the evolution of sections of the plantocracy into modern capitalist activities such as manufacturing, food and commodity distribution, etc.

Thus, the bringing of riot charges against people who occupied unused parts of the vast landholdings of the Clarke family in Westmoreland and of Mrs. Errol Flynn in Portland in 1975 is reminiscent of the revolutionary struggle of 110 years ago which led to the Morant Bay Rebellion and indicates that we are once more facing an intensification of the struggle against the old order in Jamaica. These struggles for land and the growth of the co-operative movement in agriculture must be seen from the standpoint of the character of economic relations in agriculture and the development of capitalism in Jamaica. This forms the basis from which to approach the struggles between different classes. Such an approach provides us with the fundamental reasons for the formation of the socio-political movements with which this essay is concerned.

In this essay we want to look at the black nationalist movements which have sprung up roughly over the past fifteen years, and which have been in the political forefront in the struggle against racial oppression. We will also examine the response of the various classes and their ideologies to these movements.

During the years prior to political independence in 1962, the racial question was brought to the fore in national political life by the expansion of the Rastafarian movement and its growing social and cultural influence among the unemployed throughout the country and also among sections of the middle class. Also of importance were the activities of Claudius Henry in the Rosalie Avenue movement,² Ronald Henry's effort to launch a guerrilla movement, the People's Political Party of Millard Johnson (a former member of the Jamaica Labour Party),³ and the 'Back to Africa' mission sponsored by the government of Norman Washington Manley in 1961.

The Rastafarian, Henry and Millard Johnson movements, in spite of their *differences* and their contradictory character, represented democratic forces that fought against *conditions* in colonial Jamaica. With all the illusions, utopianism and far-fetched ideas that characterise their leaflets and speeches, certain objectives stand out. These movements struggled for a radical break with British colonialism, and called for land reform. They argued that Jamaica should become a free independent republic, that the economic domination of the country by foreign capitalists was the main hindrance to national development, that government should advance a programme for Rastafarian repatriation, that an end should be put to all forms of racial discrimination in employment, and that black people should have a stake in the economic life of the country equivalent to their size.

Before examining the significance of these demands two things should be noted. First, these movements were drawn primarily from the urban poor in Kingston, that is, the unemployed and semi-employed, small black businessmen, and also sections of the intelligentsia—mainly lawyers and teachers. They had no substantial support from the peasantry and the rural poor. This meant that although they had a national impact, they did not constitute a national movement since the peasantry was not politically mobilized and involved. Secondly, there was no independent working-class movement. Workers did not control the major unions into which they were organised and the leadership of the parties to which these unions were affiliated came out firmly against what appeared to them to be 'extremist' and 'communist' trends, especially in the light of the successful armed revolution led by Fidel Castro and Che Guevara in Cuba in 1959. Moreover, there was no working-class party to combat the inconsistencies of the black nationalist movements, to stir up and rouse the peasantry to revolutionary consciousness, and to guide its attack against colonialism, the big planters and imperialism.

The nationalist movement therefore was isolated from the major classes capable of waging a national struggle for democracy. These were the working class and the peasantry. Such factors considerably weakened and paralysed the democratic movement.

We find however that the questions around which the pre-independence black nationalist movement were rallying support among the urban poor are now once more at the centre of political discussion. Let us look at one of the documents published by Rastafarian brethren prior to independence. In a 21-point document entitled "The Foundation of the Rastafarian Movement", we find the positions used by black nationalists from Henry to Rodney graphically put. The following selection from the document provides us with the main points:

1. Members of the Rastafarian movement are an inseparable part of the black people of Jamaica.
2. As such, we cannot and do not proclaim any higher aims than the legitimate aims and aspirations of the black people of Jamaica.
5. Many deplore and accuse the black people of raising the colour question in this island. But white supremacy was the official policy of this Island for hundreds of years and white supremacists never regarded black men as good as the dogs in their yards.
6. To white supremacy has been added Brown-man supremacy and the mongrel children of the Black women came to think and behave contemptuously of Black people.
11. The Rastafarian Movement has as its chief aim the complete destruction of all vestiges of white supremacy in Jamaica, thereby putting an end to economic exploitation and the social degradation of the black people.
21. Suffering black people of Jamaica, let us unite and set up a righteous Government under the slogan of REPATRIATION AND POWER.⁴

The document pointed to the many forms of racial discrimination in employment and housing, and suggested as a counter the political strategy that should be pursued.

Of course, there were differing trends within the nationalist movement. Some Rastafarians felt that repatriation was the only answer and that Rastas should not be concerned with political party struggles. A number of religious and doctrinal positions were put forward in support of this position. Within the Rosalie Avenue movement of Claudius Henry the trend towards repatriation also existed. Hundreds of people from Kingston and the countryside bought tickets from Henry to go back to Africa. At the same time, other sections advanced the view that blacks had to wrest political power in Jamaica from the colonial overlords, thus endorsing Point No. 21 in "The Foundation of the Rastafarian Movement". But even that point in the manifesto contradictorily also asserted the right of some to renounce the struggle for democratic rights in Jamaica and to seek material and spiritual fulfilment elsewhere.

Henry himself was an opportunist who, under the pretext of having visited Addis Ababa to see the Emperor of Ethiopia, returned to Kingston to build his repatriation movement. Henry really visited New York. But this fictitious visit to Ethiopia, and the setting of a deadline date for those who wanted repatriation were of symbolic significance in the same way that 'Joshua's Rod', allegedly received from Emperor Haile Selassie by Michael Manley, was used by the latter in the 1972 elections to win the support of Rasta-influenced poor and youth in favour of the People's National Party.

The thrust for social emancipation among the masses was evidenced in the West Kingston riots of May 1959. Reaction to this thrust on the part of the ruling class took the form of playing upon the fears and prejudices of the politically backward sections of the people, and of invoking the communist bogey. There was also open repression. There were street battles between the Rastas and the police, and the Rosalie Avenue movement was firmly put down. The military and police suppression of the Ronald Henry guerrilla effort, the imprisonment of his father, Claudius Henry, the police restrictions on the street meetings and public activities of Millard Johnson and of the Marxist left in the People's Freedom Movement,⁵ demonstrated how unequal the struggle was between the ruling class—planters, merchants, and their political representatives in the Legislature on the one hand, and the black nationalists on the other. For with the politically conscious sections of the working class and the peasantry under bourgeois party leadership that acted against the democratic interests of the people, this meant that the agitation for political and economic rights was considerably weakened.

Although the communist movement in the island was small, men like Ferdinand Smith, H.C. Buchanan and Richard Hart did much to raise the political consciousness of working people, organise them into unions, and to spread socialist ideas, thereby furthering the democratic movement. However, the PNP leadership of Wills Isaacs, Florizel Glasspole and Norman Manley did not relax their efforts to counter the influence of these men. The experience of Ferdinand Smith provides an outstanding example of this repression. His life was brought to a premature end as a result of having been barred from leaving the island for medical treatment.⁶ This potential vanguard representing the small working class in a backward colonial country was thus paralysed for the time being.

Manley's salve to these upheavals and agitation was to establish a Mission to Africa in 1961. It included representatives of the Rastafarian movement, the Afro-Caribbean League, the Ethiopian World Federation, the Afro-West Indian Welfare League, and PNP government advisers. The mission visited five African states. But political differences emerged in the group, and these were made public on the return of the mission. For whereas the government party held that African countries were willing to receive migrants who were technologically and intellectually skilled, the Rastafarians insisted that they had been assured of a more general basis for settlement of overseas Africans in the motherland.

This mission to African countries to arrange for "immigration" had been one of the main recommendations made by M. G. Smith, Roy Augier and Rex Nettleford in their "Report on the Rastafari Movement".⁷ In this report the authors advised N. W. Manley as follows:

"In our survey we encountered certain groups among which the Marxist interpretation and terminology predominated over the racial-religious. Events in Cuba, China, Egypt and

elsewhere endow the Marxist analysis with a pragmatic validity and *power*. In so far as this political philosophy employs the ideology of Rastafari racism, its spread throughout the bulk of the population is assured unless Government takes positive steps to meet the legitimate needs of the lower classes, including the Rastafari group. The choice before Jamaica is that between social reform which is planned, peaceful and rapid on the one hand, or changes of a different sort . . . The recent spread of Ras Tafari doctrines among educated middle class youth is largely due to the appeals of ganja and Marxism . . ." (*Caribbean Quarterly*, Sept. 1967, p. 28)

The political concern of the document with the growth of leftist ideology—by which is meant Marxism and revolutionary nationalism—can best be understood when seen in the context of the social unrest which occurred during 1959. This report stands in similar relationship to the 1959-60 period as does *Mirror Mirror* to the 1968-69 Black Power movement. As we shall see in the comment on *Mirror Mirror*, the political conclusion is similar.

In defending the mission in the Legislature, N. W. Manley noted the growth of the Rastafarian movement and the unrest in the country in general:

" . . . You don't end the movement by force and violence. The University College⁸ was very wise in suggesting that one of the sensible and proper things to do was to go and make an intelligent examination as to what the position is in Africa . . . Those who have the responsibility of knowing the facts and dealing with situations which can be harmful to the country, I, for example, know things which I would never disclose . . . and I am totally satisfied that good has already come out of it . . ."⁹

The 'Back to Africa' mission was Manley's response to the growth of revolutionary nationalism which challenged the foundations of colonial Jamaica. The government, together with using force, played upon the "utopian" and far-fetched ideas of mass repatriation current among the people with a view to taking the fire off the ruling class. It is no wonder then that we can find the letter to Norman Manley written by the Rastafarians on the 'Back to Africa' mission putting forward a revolutionary understanding of the basis for racial oppression, while at the same time suggesting a solution that does not come to grips with the local bastions of colonialism in the plantocracy and the colonial state itself:

"It is now history—the indisputable facts of slave trading, the children of our forefathers were forcibly and brutally torn from their mothers' bosom, and from our ancestral home 'Africa', and brought to the colonial plantations in the West for the sole purpose of filling the colonial coffers of Europe. The right of this wrong can only be achieved by the eventual repatriation of all captured souls, who so desire."¹⁰

That the "right of this wrong" differed within the Rastafarian movement is seen in the way the local class struggle is brought up in the document "The Foundation of the Rastafarian Movement", while the 1961 letter to Manley seeks to avoid local confrontation. The overall significance of that mission for us at this time lies not so much in showing the naivety of the Rastafarian leaders, and the demoralization of the masses in the face of reversals, but it also shows the evolution of a treacherous bourgeois strategy to draw the movement away from revolutionary objectives. This strategy sought to diffuse the revolutionary side of black nationalism and to channel radical petty-bourgeois nationalism into bourgeois reformism, the latter being itself a class tendency of petty-bourgeois radicalism.

Meanwhile, what was the position of the Jamaica Labour Party leadership on the racial question? In an article entitled "This Menace to Our Future" published in the *Gleaner* of October 19, 1960, Sir Alexander Bustamante attacked a public statement by Mrs. Amy Jacques Garvey, widow of Marcus Garvey. The latter was quoted by Bustamante as saying, "As black men and women you must stand up and claim your country, dedicate your lives to Jamaica, acquire the economic stability the 90 per cent of the population should have in relation to the 30,000 Chinese here . . ." Bustamante avowed that his party and union would combat this position and called on Manley's party and union to do the same so that the "cancer of racialism" would not take root and "grow to

wreck all that we have fought for.” In this same article Bustamante praised Garvey and said that his work was being prostituted. Four years later, under the first government in independent Jamaica led by Bustamante, Garvey’s body was brought back from London to Jamaica. 30,000 people gathered in George VI Park when his body was re-interred there. But this homage in 1964 to the greatest black nationalist leader was itself preceded by the arrests and harassment of hundreds of Rastafarians after the Coral Gardens incident of 1963 in which eight persons were killed.

Harassment of democrats and the poor under the ten-year JLP regime continued a pattern that had been established during the regime of Norman Manley. So that after 1961 the black nationalist movement subsided under the harsh hand of police repression. The mid-sixties however saw a gradual revival, and by the late sixties organised nationalist activity resumed. In response to this, a state of emergency was declared in 1966 and detention camps were set up in West Kingston. Two years later, the Rodney Riot took place and out of this sprang the publication of the revolutionary democratic newspaper, **Abeng**.

Walter Rodney, as well as the **Abeng** newspaper (1969) provided a rallying point for nationalist forces.¹¹ In Rodney’s writings and in his agitational work in the city and countryside, as well as in **Abeng** we get a picture of petty-bourgeois radical trends which had as their main concern the struggle against racial oppression. In essence the same issues of the 1959-63 period came up. In 1968-71 however, the difference was that there was a revitalization of democratic forces in the country as a whole, and within and around the PNP, utilizing slogans such as ‘Power to the People’ and ‘Better must come’. Aware of the grassroots movement away from the repressive JLP regime, the big capitalists began shifting their support to Manley’s son, now leader of the PNP, not in order to advance the democratic movement, but by thus controlling it, to hold it in check.

Let us now survey other important bourgeois nationalist trends which reflect approaches to the problem found among well-to-do petty-bourgeois and in the bourgeoisie itself.

Rex Nettleford’s book, **Mirror Mirror**, published in 1970, surveys the Rastafari and Black Power movements in the sixties. Its prime concern is the racial question. But it does so from the standpoint of black middle-class Jamaican nationalism. In the postscript to the book, Nettleford writes:

“The black masses believe that they exist in an ambience of irretrievable futility. To correct this view the society must change in ways that will decrease the hegemony of the entrenched business oligarchy (both local and foreign, who are overwhelmingly non-black), provide everyone in the society opportunities for equal access to education and political power, and exploit overseas investment (capital and skills) consciously in the interest of Jamaicans.” (p. 226)

These are Nettleford’s suggestions about the path of development necessary to rescue the “black masses” from “irretrievable futility” and to “decrease the hegemony of the entrenched business oligarchy”. Who forms the “entrenched business oligarchy” but the long-standing big planters and landowners, as well as the foreign banks and mining companies? Nettleford recognises that their power will have to be cut. But he remains silent on how far and in what way this power should be lessened. What he is not silent about however is the revolutionary path to democracy and socialism –to which he is opposed. Nettleford’s approach is fundamentally reformist, one which does not fight for the removal of power from the hands of the entrenched business interests. It seeks rather an arrangement with them. Furthermore, it does not approach this question from a class-historical point of view but uses the categories “black masses” and “oligarchy” as a means of blurring economic and therefore class antagonisms between the landlord and the tenant on his land. Moreover, after lengthy documentation of the repression of Rastas, he declines examination of the question of which class controls the state and the armed forces, and of which classes feel their heavy hand.

A more recent book, Michael Manley’s **The Politics of Change** (1974), is no less nationalist than Nettleford’s. It is the nationalism of bourgeois reformism. Manley writes:

“While superficially accepting the notion of a multi-racial society, the truth is that Jamaica is not yet at peace with blackness or comfortable with its African heritage. A cold

evaluation of relationships within the Jamaican society reveals a series of *imbalances*. The fact is that people with light complexions enjoy a psychological advantage and consciously or unconsciously have assumed an additional 'weight' in the society. In the case of people of dark complexions, the reverse has been the case . . . All this demands a consideration of strategies which may quietly dismantle the apparatus of privilege and replace it with a dynamic social organization designed to provide the channels of opportunity for talent regardless of origin, an atmosphere of equal worth, regardless of talent, and a sense of ease with and pride in all the streams of our ethnic origin." (p. 57)

Racial oppression in Jamaica has persisted through preservation of the old system of land tenure, an outdated colonial civil service, an oppressive police, and the privileges and special status accorded to people of white and mulatto complexions even though economically they may not be of the ruling class. Due to the widespread nature of small-scale agriculture and production in general, and what Lenin calls "patriarchalism" and "isolation" in the countryside where thousands of people live cut off from modern concepts, many of the poor themselves talk about the good old colonial days, are convinced that under white people things were better, and that in fact white people bring luck. With a fanatic belief in such ideas, these folk can be and are manipulated by the big property-owners. In fact, these ideas are themselves products of slavery, colonialism, and landlordism which, as we have already pointed out, have bred inequality and racial oppression.

In his "Draft Theses on National and Colonial Questions", Lenin brings out clearly the difference between the bourgeois approach to equality which we find in Manley's book and the communist approach:

"An abstract or formal posing of the problem of equality in general and national equality in particular is in the very nature of bourgeois democracy. Under the guise of the equality of the individual in general, bourgeois democracy proclaims the formal or legal equality of the property-owner and the proletarian, the exploiter and the exploited, thereby grossly deceiving the oppressed classes. On the plea that all men are absolutely equal, the bourgeoisie is transforming the idea of equality, which is itself a reflection of relations in commodity production, into a weapon in its struggle against the abolition of classes. The real meaning of the demand for equality consists in its being a demand for the abolition of the classes." (p. 145, Vol. 31, **Collected Works**)

The science of Marxism-Leninism and the experience of socialist construction demonstrate that it is the abolition of class exploitation which provides the basis for equality and the ending of all forms of racial oppression. That is why talk about "quietly dismantling" inequality in Jamaica cannot really bring about an end to racial oppression. Nettleford's and Manley's ideas conform on the racial question. In **Mirror Mirror** Nettleford further puts the political alternatives as follows:

"The sixties, goes the argument, was marked by the threatening trinity of identity, race and protest. The years following will demand of all who care continued attention to the threat—whether through the piecemeal social engineering of a government in power, economic nationalism of a party in opposition, cultural rediscovery and definition by sensitive intellectuals and artists, or through the cleansing purge of instant revolutionary action as some of the arduous young would have it." (p. 227)

The important point here is that the class struggle in the nineteen-sixties in Jamaica, and the triumphs of socialism and national liberation battles in the world at large, once more raise the question of the way forward out of the colonial legacy and imperialism. Although the democratic movement in the country was so weak in the sixties, its revival, particularly on the question of struggle against racial oppression and against the slave heritage, the recent invocations of Garvey's name and writings, the social consciousness displayed in reggae music—all these demonstrate that there are classes whose fundamental interests bring them into conflict with the ruling class. It is not the "ideas" of isolated intellectuals or the "arduous young" that bring this into being but the antagonistic social and class relations of our society.

The struggle for national liberation has real roots in the interests of the exploited classes to challenge the economic system, inasmuch as the struggle against national liberation and socialism has roots in the desire of exploiter classes to maintain the *status quo*. The solution to the racial question rests on the resolution of this conflict. The privileges of the exploiter classes, including the rights and power accorded on the basis of race and colour, have not been surrendered voluntarily nearly one hundred and forty years after Emancipation.

RUPERT LEWIS

FOOTNOTES

1. For discussion of the development of classes in Jamaica, see D. Robotham, **Our Struggles**, Workers' Liberation League, 1975.
2. Rosalie Avenue in Kingston was the headquarters of the Claudius Henry movement. Henry's Rosalie Avenue address was the home of a big fish vendor in the area, by the name of Edna Fisher. After her death and his imprisonment, Henry built a shrine in her memory. People like her I refer to as petty-bourgeois. By this I mean the small-property owning class and the peasantry, small shop-keepers, petty traders, higglers, artisans and craftsmen. These make up the bulk of our population.
3. Millard Johnson, city attorney and President of the Council on Afro-West Indian Affairs, resigned from the Jamaica Labour Party because of Bustamante's stand on the racial question as clarified in the statement "This Menace to Our Future" in 1960. See report in **The Star**, October 21, 1960.
4. "The Foundation of the Rastafarian Movement", mimeographed leaflet, n.d. (*circa* late 1950s).
5. The People's Freedom Movement was a Marxist organization engaged in socialist propaganda and agitation in which Richard Hart played a prominent role. He had been expelled from the PNP in 1952 for being a communist.
6. See **Socialism** (Theoretical Organ of the Workers' Liberation League), Jan. 1975, for an article on Ferdinand Smith.
7. See M. G. Smith, Roy Augier, Rex Nettleford, "The Rastafari Movement in Kingston, Jamaica", (reprint of the 1960 Report) in **Caribbean Quarterly**, Sept. and Dec. 1967.
8. A reference to the Smith, Augier, Nettleford Report. Cf. fn. 7.
9. Rex Nettleford, ed., **Manley and the New Jamaica—Selected Speeches and Writings**, 1938-68. p. 279.
10. See **Daily Gleaner**, July 31, 1961.
11. See "Literature of Black Struggle in Jamaica, 1968/69", **Bongo Man**, Feb. 1970 for discussion of nationalist publications. Listed among these occasional mimeographed publications are **Blackman Speaks**, **Our Own**, **Harambee**, **The Sufferer** (St. Ann), Rev. Claudius Henry's **Newsletter**, **LII** (high school publication). **Abeng** was published for 34 weeks during 1969. This period also saw a cultural awakening. See the collection, **One Love**, Bogle L'Ouverture, 1971.

Chapter 6

A PRELIMINARY ANALYSIS OF IMPERIALIST PENETRATION AND CONTROL VIA THE FOREIGN DEBT: A STUDY OF JAMAICA*

1. Introduction

The continuing success of anti-imperialist struggles has forced imperialist countries to reject most of their traditional methods of penetration and control. Many overt imperialist policies are now being altered, old strategies modified and new ones evolved. The objectives of imperialism, however, remain the same—to consolidate capitalism and imperialism in the remaining colonies and newly independent nations.

In this paper the focus is on a particular form of imperialist control. Our concern is to expose imperialist penetration which takes place through the foreign (or external) debt of the government of an under-developed country. This subtle imperialist manoeuvre is particularly relevant in the neo-colonial period and represents one of the modified forms for the export of both finance and industrial capital from advanced capitalist countries. Our analysis deals specifically with the Jamaican economy, although the experience is applicable to most former colonies. The paper is divided into two broad sections; the first section defines the foreign debt and traces its historical development and its composition. In the second section the foreign debt is assessed within a Marxist-Leninist framework and the gains which accrue to imperialism are identified.

2. The Foreign Debt of the Jamaican Government: 1946-1976

(i) *What is the foreign debt?*

Government expenditure is usually financed by revenue obtained through taxation and various types of borrowing. Some governments may deliberately plan to spend more money than they expect to receive; this is usually termed deficit budgeting. However, once tax revenue falls short of planned expenditure, the government is forced to borrow funds.

The **National (or Public) Debt** of a country refers to the government's financial obligations to its various creditors. When a government borrows from its own citizens or institutions, this is termed the **Internal (or Local) Debt**. For example, when a Central Bank (as the government's banker) issues Treasury bills which are bought by locals, this forms part of the government's internal debt. Such a classification is usually based on the following criteria: firstly, repayment is due to locals; and secondly, the loan is denominated and repayment expected in the domestic currency of the country. On the other hand, the **Foreign (or External) Debt** represents those amounts which are owed by the government to foreign sources of finance. It includes funds raised through sales of local securities in foreign capital markets, loans from other governments, and finance obtained from foreign banks and international financial agencies.

The foreign debt of Jamaica has grown substantially over the years from JS9.0 million in 1946 to JS39.0 million in 1962 (Independence) reaching the present amount of JS439.3 million. (See Table I for details.)

Information presented in Table II shows that since 1960 the foreign debt of the Jamaican government increased at an annual average of 18.1 per cent. Between 1962 and 1972, the debt increased at a yearly average of 12.4 per cent, while since 1972 the annual average rate of increase has been 39.7 per cent. Two points of clarification need to be made here. Firstly, successive governments inherit

* I am very grateful to Donald J. Harris, Wesley Van Riel, Simon Jones-Hendrickson and Rupert Lewis for their assistance. Of course, this short list of people to whom I feel indebted is incomplete as many others made constructive criticisms of the work at all stages.

the debt burden of previous administrations; and secondly, since 1970, crises of international capitalism have caused tremendous increases in the costs of obtaining finance capital.

In backward capitalist economies like Jamaica the government is forced to respond to the contradictory needs of the capitalist class and the exploited workers and poor people. To do this, it requires increasing amounts of revenue. Given the pattern of development in Jamaica, governments face severe constraints on their ability to mobilise these funds domestically. This is so because, firstly, government is able to employ only those taxation measures which are acceptable to the capitalist class. Furthermore, the national capitalist class requires increasing amounts for its continuing expansion. Although some proportion of the financial demands of these capitalists can be satisfied through local sources, the total amount which is available is limited due to the backwardness of the economy, the poverty of the masses of the people, and the extent to which imperialist concerns are already draining substantial sums out of the country.

Due to its small size and inherent weaknesses, the local capitalist class is unable to raise the necessary funds overseas. The government is therefore forced to borrow abroad to assist the financing of local capitalist development. Both the government and the indigenous capitalist class now become firmly entrenched into the sphere of operation of imperialism at the level of finance capital.

(ii) *The foreign debt: its history and growth*

The foreign debt statistics are somewhat distorted and do not represent an accurate picture of the country's total indebtedness to foreign capital. Firstly, the foreign debt statistics do not incorporate overseas debts incurred by quasi-government institutions,¹ which debts are guaranteed by the government. Furthermore, the data fail to record the country's obligations to the International Monetary Fund (IMF) as part of the foreign debt. The rationale for non-inclusion of government-guaranteed debt suggests that these are not "actual" but rather only "potential" liabilities. In addition, the argument continues, because the government holds a lien on the assets of the institution whose debt it has guaranteed, it can draw on such funds in the event of default. This means that government funds need not be utilised at all. Such reasoning, however, fails to prove conclusively why foreign debts guaranteed by the government should not be included as part of its foreign liabilities.

Secondly, foreign debt statistics record only those debts which are denominated in foreign currency, regardless of the nature of the ownership of the lender. This means, therefore, that when a foreign-owned institution operating locally lends Jamaican dollars to the government, their debt is recorded as part of the country's internal debt despite the obvious implications of foreign ownership, which include transfer of profit overseas. So that when Barclays Bank lends J\$6.0 million to the government, this is defined not as a debt due to a foreign institution which will obtain financial returns from this loan, but rather as part of the internal debt simply because the loan is made and is repayable in local currency.

Thirdly, there is some confusion surrounding short-term borrowing by government. Some government sources have implied that short-term loans are not included as part of the foreign debt because these loans are usually of a self-liquidating nature. However, further clarification of this issue is necessary before any conclusive remarks can be made.

We argue, therefore, that the data which are published as representing the country's foreign debt understate and obscure the magnitude of the government's indebtedness to foreign sources of finance. For their own political ends, governments would always want to understate the extent of their dependence on foreign capital. This becomes particularly relevant at the present time when anti-imperialist slogans are being mouthed by government representatives as part of bourgeois-reformist policies. Furthermore, to attract additional sums of foreign capital, a government would have to guarantee 'overall economic stability' coupled with 'sound economic policies'. A low foreign debt figure is an acceptable index, and therefore, governments seek to record only that which is absolutely necessary in order to minimise the levels of these ratios.

From the information published by the Ministry of Finance (Table III) we find that the foreign debt has averaged approximately 44 per cent of the total national debt over the period since 1962. Between 1962 and 1972, however, the foreign debt accounted for an average of 45.3 per cent of the government's total indebtedness. Since 1972, this ratio has fallen to 39.3 per cent, reflecting some attempts on the part of the present People's National Party (PNP) government to reduce its dependence on foreign sources of funds.

As a proportion of exports² and government revenue,³ the foreign debt averaged 37.6 per cent and 49.2 per cent respectively between 1962 and 1975. These pieces of information suggest that if the debt had to be immediately liquidated, it would utilise over one-third of the country's export proceeds and nearly one-half of the government's revenue on average during this period.

The total burden of the foreign debt incorporates numerous foreign debt charges like interest costs and management charges. Here again, one notes some amount of under-reporting of total foreign debt charges. For example, finders' fees,⁴ legal fees and advertising costs are not recorded. In addition, incentives to foreign lenders which include non-payment of taxes on interest proceeds repatriated abroad are not identified as costs of foreign borrowing.⁵

The costs of foreign borrowing as recorded in government publications (see Table IV) show that these charges have increased significantly since 1960 from J\$3.5 million to J\$31.7 million for the current financial year (1975-76). As a percentage both of exports⁶ and government revenue⁷ foreign debt charges have grown since 1962 but the ratios themselves are still quite small.

Some important qualifications have to be raised here in connection with the ratios of foreign debt and foreign debt charges to exports. Girvan⁸ highlights the need for a more realistic measure of the foreign exchange burden of the foreign debt. He shows where "bauxite and tourism are the two sectors accounting for the bulk of incremental foreign exchange 'receipts', and it is the **rapid growth of the export value of these industries which is directly responsible for the low ratio of foreign debt charges to exports.**" (Our emphasis.) He further argues that "both these industries have a high direct import content, and a large part of their imputed export value does not enter the pool of foreign exchange receipts which may be regarded as available to the monetary authorities for the servicing of the foreign debt." (Our emphasis.)

Problems associated with non-reporting and unrealistic definitions of certain statistics obscure the size of the country's foreign debt burden. It can be argued that when compared to other under-developed countries, Jamaica is not faced with pressing debt servicing problems. However, the trend is clearly towards increased use of foreign capital which can generate disastrous consequences in future years.

It has already been shown that the foreign debt increased substantially since 1946. This growth has to be understood in the light of the historical development of the Jamaican economy and the simultaneous evolution of international capitalism and imperialism.

During the colonial period which extended up to independence (1962), the foreign debt remained relatively small, though increasing. The debt at this time represented funds provided by British finance capital, mainly through loans from the British government under Commonwealth Development and Welfare (CD&W) schemes. The colonial government was concerned to maintain conditions favourable for injections of British finance capital, along with providing a minimal supply of infra-structural needs like roads, schools and hospitals.⁹

With political independence (1962), increased responsibilities were transferred from the colonial office to the newly independent government. This transfer of administrative functions was reflected in a sharp increase in the foreign debt from J\$22.6 million in 1958 to J\$45.9 million in 1963—an increase of nearly 100 per cent.

In the post-independence era, successive governments were concerned to implement the promises of increased welfare which were part of the pre-independence movement, and simultaneously, maintain a "favourable climate" for new sources like the United States and Canada. It is during this

period that the foreign debt reaches significant proportions. It is also during this period that new forms of imperialist financing are introduced along with a relative shift away from British to North American (mainly U.S.A.) sources.

(iii) *The foreign debt: its nature and composition*

The external debt of Jamaica is classified under two broad headings: firstly, there are **Market Issues** which refer to raising of funds through the sale of local securities in capital markets overseas. Secondly, there are **Institutional Loans** which include all foreign borrowing from both public and private sources. The available data (Table VI) show where institutional loans have recently been replacing market issues as the larger source of foreign finance. In fact, as a percentage of total foreign debt, market issues have declined steadily since 1967.¹⁰

(a) *Market Issues*

Government usually offers its securities for sale both locally and overseas. A sizeable amount of the locally registered stock is purchased by foreign-owned commercial banks and insurance companies operating locally. The banks hold in addition at least 25 per cent of Government's periodic issues of Treasury Bills. These are not recorded as part of the country's foreign debt, although the creditors are foreign. However, when local securities are sold in international markets, this is defined as part of the foreign debt. Most of the local securities have been sold on the U.K. market reflecting an historical dependence on U.K. sources.¹¹

The interest cost of overseas market issues represents the most sizeable cost element. This cost is further inflated because government is forced to offer attractive rates of return on its securities issued overseas in order to maximise sales. In fact, the yields on Jamaica Government securities sold in both the U.K. and the U.S.A. markets over the last eight years are higher than comparable securities issued in these countries. Presently (Table X), the interest cost on outstanding issues is approximately J\$5.0 million per annum.

An additional cost is the Sinking Fund provision which represents amounts put aside for redemption of securities when payment becomes due. Laws governing the issue of Jamaica government securities prescribe an annual Sinking Fund of at least 1 per cent of the total amount to be repaid; most governments of Jamaica have usually withdrawn up to an average of 4 per cent of total redemption payments for the Sinking Fund provision.¹² Both U.S. and Canadian market issues operate under annual amortization arrangements which means that interest payments have to be made every year. In the U.K. case, however, the interest payments are not usually made every year and therefore the Sinking Fund provides revenue to assist payment when securities are redeemed.

Detailed information on management charges and other costs like finders' fees and advertising expenses incurred by government when market issues are made in foreign countries is not immediately available.

(b) *Institutional Loans*

The category 'Institutional Loans' is classified as follows:

- (a) Commercial loans
- (b) Government-to-government loans
- (c) Loans from international institutions and agencies.

Historically, a substantial portion of foreign finance was obtained via Commonwealth Development and Welfare (CD&W) assistance from the U.K. Borrowing from the U.S.A. and Canadian governments began in the late fifties and mid-sixties, respectively. Government borrowing from commercial institutions whose Head Offices are in these countries started in 1967, while disbursements from international capitalist financial agencies like the World Bank began in 1968.

Commercial borrowing refers to funds obtained from foreign private financial institutions. Some portion of these funds is usually obtained from foreign banks which have branches operating locally. It has been argued that in dealing with those banks operating locally, government has minimised the cost of obtaining funds and reduced the numerous constraints associated with

borrowing in foreign markets. In addition, some flexibility may exist in overall governmental relationships with these institutions.

Commercial borrowing is dominated by U.S. financial institutions¹³ particularly since 1972. This is so despite the stricter terms attached to U.S. borrowing, especially when compared with less onerous lending terms usually offered by U.K. banks. In addition to imposing certain serious constraints on the borrower, U.S. commercial lenders impose high rates of interest (recently the interest rate was around 10%), costly service charges and other fees. These do not include the advertising and other 'incidental expenses' which are usually involved with this type of loan. If we consider only the direct costs of servicing presently outstanding loans obtained from U.S. commercial institutions¹⁴ we find that the government is now spending approximately J\$15.6 million for this year to service loans totalling J\$130.1 million. This represents a debt service ratio of nearly 12%.¹⁵

An important part of indirect costs involved in this type of borrowing is the exemption from a 12½% per annum withholding tax which is usually paid on interest earnings transferred overseas by foreign agencies. Many of the foreign commercial lenders demand this non-payment as part of the loan agreement with government. Exemptions from these tax payments apply to all commercial lenders regardless of their country of origin. As with market issues overseas, Sinking Fund provisions are also an important element in the cost structure of commercial borrowing.

The U.S. and Canada are the major sources of finance via government-to-government loans since around 1969.¹⁶ This type of lending has been mainly for infrastructural development. Interest rates have recently been quoted at around 3% with additional service charges and commitment fees totalling 2%. Other costs include Sinking Fund provisions, management and brokers' fees, full details of which are unavailable.

Both the U.S. and Canadian governments stipulate that a certain proportion of loans granted must be spent on imports of goods and services from the donor country.¹⁷ In the case of funds obtained from the United States Export-Import Bank (US EXIMBANK) there are additional stipulations which require that no purchases be made from either Communist countries or those countries upon which the U.S. government has imposed trade restrictions.

Borrowing from the World Bank began in 1967 while financing from the Inter-American Development Bank (IADB) started in 1972. These institutions lend most of their funds for infrastructural projects. Direct costs of this form of borrowing to the Jamaican economy include interest charges (between 6% and 7½%) and commitment fees. There are also the usual Sinking Fund provisions. Normally, these institutions also obtain exemptions from the 12½% withholding tax on interest earnings.

3. The Foreign Debt as Imperialist Penetration and Control

(i) How imperialism gains through the Foreign Debt

Bourgeois economics usually analyses the foreign (or external) debt situation of an underdeveloped country in strictly cost-benefit terms. This means that it seeks to identify the extent to which a country can obtain certain benefits from, and incurs certain costs in utilising foreign capital to facilitate economic growth.

This approach identifies the major benefits as related to the supplementing of national resources with foreign capital. The argument is as follows. Underdeveloped countries are short of the capital necessary to effect meaningful economic transformation. It becomes necessary to fill this gap by foreign borrowing. Foreign capital, therefore, generates an increase in the growth rate of the economy. In this way, the argument concludes, the rich countries assist economic development of the poorer countries.

Simultaneously, costs of foreign borrowing are defined solely in terms of the repayment of the debt incurred. This includes both the principal and the rate of interest on the borrowed funds. Two other elements of cost are usually isolated: firstly, the extent to which the borrower has to forego purchasing power (i.e. funds which could be productively utilised elsewhere) in order to service the

debt; and secondly, in the event of default in debt repayment, the country faces isolation from the major sources of international finance and commerce.

These arguments mystify and obscure the true nature of the foreign debt in backward economies. This is simply because the analysis takes an ahistorical and basically mechanistic approach towards the fundamental issues which are involved. It begins with a distinct failure to see in the entire system of public debt an underlying principle of capitalist accumulation identifiable in its historical perspective.

The public debt has been categorised as "one of the most powerful levers of primitive accumulation" (Marx, *Capital*, Vol. 1, Chap. XXXI.) In fact, Marx shows clearly that the public debt makes available a virtually riskless form of investment with guaranteed returns and simultaneous acceptability as a medium of exchange. He further argues that public debt accumulation creates a "class of lazy annuitants" which obtains wealth from "stock exchange gambling and bankocracy." Although not explicitly citing foreign (or external) debt accumulation as characterising an imperialist phase, Marx saw that "with the national debt arose an **international** credit system, which often conceals one of the sources of primitive accumulation . . ." (*Capital*, Vol. 1, Chap. XXXI.) It is, however, to the Leninist analysis of imperialism that we must turn in order to explain the foreign debt accumulation of backward economies. Our analysis evaluates the foreign debt of the Jamaican economy within the framework of imperialist domination.

This section deals with two related issues. Firstly, it shows how the foreign debt of the Jamaican economy represents a particular form of imperialist penetration. Secondly, it exposes the role of the national capitalists during this particular historical period.

An integral part of the historical transition to imperialism involves the export of capital through finance and direct investment as distinct from the export of commodities. Commodity exports, however, also increase substantially during this phase. The export of finance capital is effected by the development of capitalism in its advanced centres. This development necessarily gives rise to the accumulation of substantial amounts of finance capital for which monopoly capitalists cannot find sufficient profitable application at home. Thus, there begins a determined and concentrated search for profitable investment outlets abroad. Backward economies represent profitable spheres of investment because higher than average rates of profits are obtainable. Colonial expansion, intensive wars and violent struggles among imperialist countries have characterised the quest for these spheres of investment.

Regardless of its pattern, foreign finance capital is not philanthropic. It functions according to the laws governing the movement of any capital. Objectively, therefore, foreign finance capital is concerned to realise and repatriate surplus value to its homeland. In such a way, this capital provides for a stream of surplus value as interest and other costs which are drained out of the so-called "host" country.

It is useful to distinguish between two types of capital exports from the advanced capitalist economies: these are **productive capital** (or investment) and **loan capital**. **Productive capital exports** or **direct foreign investment** occurs when a foreign capitalist acquires productive enterprises in the recipient country. Profits are then usually repatriated to the capital-exporting country. For example, North American multinational corporations established bauxite and alumina production facilities in Jamaica during the nineteen-fifties.¹⁸ Over the years, these countries have repatriated millions of dollars in profits to their respective home countries.

With loan capital, however, there is neither acquisition of property nor any directly productive activity. Funds are simply channelled through local agencies which identify profitable areas of investment. Loan capital provides the lender with interest and other benefits which are repatriated abroad. Although the distinction may be useful for analytical clarification, these two forms of capital exports are essential features of imperialist expansion and always reinforce each other.

To identify the nature of imperialist penetration through the foreign debt, let us look more concretely at the Jamaican experience.

Foreign finance capital is realising some J\$20.8 million from Jamaica in the form of interest payments alone during 1975. This amount consists of J\$5.0 million due as interest to foreign holders of local stock, J\$13.3 million as interest to foreign commercial lenders, J\$0.8 million to foreign governments and J\$1.7 million to international capitalist institutions.¹⁹ This amount does not include 'transactions costs' of selling stock and borrowing funds abroad. In addition to interest accruing, other charges include service payments and commitment fees, payment to brokers, and advertising expenses.

In the case of most commercial borrowing, government pays service charges at an average of $\frac{3}{4}$ of 1% on the principal sums borrowed. If applied to all loans presently outstanding, this represents a further J\$1.5 million due abroad. Details of other costs are not available. Ministry of Finance officials point out, however, that for approximately every J\$5 million borrowed from overseas, government incurs brokers' fees and advertising expenses of about J\$0.01 million. This means that governments have paid out at least an additional J\$0.5 million to foreign interests for loans negotiated up to 1975.

As already mentioned, foreign finance capital exported to Jamaica attracts, by law, a 12½ per cent tax payable on the repatriated interest proceeds. Most of those institutions which provide these funds are exempted from payment of this tax. It has been suggested that the non-payment of tax acts as an "incentive" to foreign capital. What happens is that potentially locally available funds are repatriated overseas almost J\$2 million for 1975 alone. This amounts to a further loss of revenue by government which necessitates increased borrowing to meet expenditure requirements.

Exports of finance capital directly facilitate both the expansion of direct investment and the sales of commodity exports from imperialist countries. Direct foreign investment is assisted through the provision of infrastructure which is necessary for maximising productive activity. Additional markets for exports of capital and consumer goods, along with lucrative sales of "export services" are also obtained.

Politico-military considerations are very important. Numerous reports show, for example, that U.S. foreign lending has provided "resources to the recipients **in exchange for long-term strategic, military and economic gains to the donor.**"²⁰ (Our emphasis.) Similar considerations determine the loan policies of all imperialist countries.

The overall analysis indicates clearly that despite being restrained by liberal reformism, imperialism continues to make exorbitant gains by flexibly adapting itself to new conditions and policies of governments in former colonies. The foreign debt experience of the Jamaican economy exposes another of the subtle manoeuvres of imperialism as it adjusts to the conditions brought on by the growth of nationalism and socialism in the Caribbean.

(ii) Imperialism, national capitalism, and the exploited poor

Any analysis of the foreign debt of the Jamaican government has to identify the different class interests involved during this particular phase of imperialist penetration. There exists a dialectical relationship between the government, the nationalist capitalist and imperialist interests and the masses of poor people. Both reactionary and reformist governments have, over the years, sought to pacify the increasingly resolute struggles of the working class. In order to implement its bourgeois reformist policies, the present government is faced with a pressing need for revenue. Substantial sums of money become necessary to implement programmes like Project Land Lease and other schemes geared ostensibly to improve the social welfare of the dispossessed.

Where can the government get this revenue from? It can be obtained from two main sources: increased local taxation and borrowing overseas. To obtain more funds locally would involve increased taxation of foreign interests, local capitalists and the working class. Governments find it difficult to impose heavier taxes on imperialist firms operating locally; this is rationalised by suggesting that such

policies usually "scare away" much needed foreign capital. In fact, rather than impose additional taxes²¹ on these concerns, governments usually offer them generous incentives.²²

Nationalist capitalists benefit greatly from the foreign debt. Their own weaknesses dictate a reliance on government as an agency acting on their behalf to raise funds internationally. Government is, of course, better placed because of its international status and its obvious ability to offer acceptable guarantees of repayment. Through the foreign borrowing by government, national capitalists are granted easy access to finance which is channelled to them via government institutions and agencies like the Jamaica Development Bank (JDB) and the Jamaica Industrial Development Corporation (JIDC). Furthermore, government investment in infrastructure and their numerous other forms of activity financed by overseas borrowing produce benefits for the local capitalists.

Moreover, to the extent that the local capitalists themselves are not forced to pay higher taxes, they are availed of a larger pool of surplus funds. This is substantiated by information in Tables XV and XVI which show that corporate tax payments (by both local and foreign capitalists) as a proportion of government income tax revenue has been declining since 1967.

The crushing effects of imperialist penetration through the foreign debt fall most heavily on the working class. Firstly, working people are always faced with an increasing burden as a result of the tax policies of successive Jamaican governments. It is estimated that for 1974-75 alone²³ the government will have obtained J\$109.1 million from personal tax payments, a figure which represents nearly two-thirds of government revenue from income tax. Secondly, the working class is also directly affected by the foreign debt burden to the extent that governments can impose higher taxes on the indigenous capitalist class. Taxes imposed on local business interests are always passed on to consumers in the form of higher prices.²⁴ So the position of the working class already seriously threatened by increased taxation of usually meagre wages, is now worsened due to the inflationary consequences of governmental tax policies. As the foreign debt increases, the burden of repayment will continue to fall even more heavily on the working class of the country.

4. Conclusion

Almost all financing which the government obtains from abroad is used to provide infrastructure. This includes the building of roads and bridges, provision of electricity and telephone facilities, water supplies and airports. If one considers loans from foreign governments and international financial agencies (see Appendix I), a sizeable portion of this finance capital is utilised for maintenance and improvement of infrastructural projects. This is also the case with loans from foreign private commercial institutions.

What can one conclude from this? Firstly, imperialist interests are serviced to the extent that all the capital goods requirements for these projects are imported. Secondly, loan capital from imperialist countries facilitates direct investment by foreign capitalist enterprises. For example, local firms may not have the necessary technical expertise to implement certain projects; this means that foreign firms have to provide the service. Thirdly, imperialism is able to maintain control over the policies of different nation-states. The approaches now used are much more subtle than direct intervention which characterised the colonial phase. Lenin has warned (*Collected Works*, Vol. 22, pp. 214-215) that as imperialism expands, the financial oligarchy will not only dominate isolated fields of productive activity but also entire countries. Such is the behaviour of imperialist nations which use their finance capital to penetrate and control countries, especially underdeveloped ones.

For example, in order to obtain funds from the World Bank, their "experts" usually have to evaluate the country's economic potential and assess the economic policies of the government "at present" and those "likely to be followed in the future". In addition, the World Bank "requires, as a condition of Bank financing, that the borrowing country initiate measures designed to ensure stability in its economy; (it also) requires concrete evidence that the government is actually taking appropriate steps to establish stability . . ."²⁵ The imperialist countries are therefore able to use this

type of mechanism to manipulate and effectively control the policies of underdeveloped countries. So that when governments obtain loan capital from imperialist countries, a number of guarantees favourable to imperialism have to be implemented.

The foreign debt situation of Jamaican governments over the last decade shows us that as imperialism seeks to expand and penetrate further into underdeveloped countries, its form becomes more sophisticated. Loan capital replaces productive capital as the major vehicle of imperialism. Access to foreign loan capital greatly assists the policies of reformist governments which seek to obtain a semblance of all-class unity. This enables such governments to maintain strong alliances with imperialism. It facilitates increasing surplus realization by the local capitalists and allows use of foreign funds for policies of reform.

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NOTES FOR TABLES FOLLOWING:

- (1) -- category not applicable
- (2) .. category insignificant
- (3) All figures are rounded to one decimal point. Addition of these rounded figures may not always agree exactly with rounded totals presented in the different tables.

TABLE I
GROSS PUBLIC DEBT (J\$ MILLION)

Year	Public debt	Internal debt	External or Foreign debt
1946	19.2	10.2	9.0
1948	22.8	12.6	10.2
1950	27.8	12.2	15.6
1952	30.4	14.0	16.4
1954	36.6	13.6	23.0
1956	38.2	15.6	22.6
1958	46.4	23.8	22.6
1960	68.8	32.0	36.8
1961	75.6	34.8	40.8
1962	75.3	36.8	39.0
1963	90.8	44.9	45.9
1964	101.0	56.4	44.6
1965	137.9	72.3	65.6
1966	129.0	64.0	65.0
1967	156.0	84.0	72.0
1968	182.8	100.8	82.0
1969	221.8	127.8	94.0
1970	252.6	152.4	100.2
1971	284.9	182.2	102.7
1972	332.6	215.3	117.3
1973	420.9	275.5	145.4
1974	520.8	314.8	206.0
1975	705.8	431.6	274.2
1976*	889.0	449.7	439.3

* Estimated figures

Source: *Estimates*, Annual of Jamaica.

TABLE II
ANNUAL RATE OF CHANGE OF FOREIGN DEBT: 1960-1975

Year	Rate of change (%)
1960	—
1961	10.9
1962	-4.4
1963	17.7
1964	-2.8
1965	47.1
1966	-0.9
1967	10.8
1968	13.9
1969	14.6
1970	6.6
1971	2.5
1972	14.2
1973	23.9
1974	41.7
1975	33.1
*1976	60.2
Annual average (%) rate of change 1960-1976:	18.1

* Estimated figures for financial year 1975-6.

Source: As for Table I.

TABLE III
FOREIGN DEBT AS PERCENTAGE OF:
Col. (1) Public Debt, Col. (2) Exports and Col. (3) Government Revenue
1962-1975

Year	(1)	(2)	(3)
1962	51.4	30.1	47.7
1963	50.5	31.8	54.5
1964	44.1	28.9	44.9
1965	47.6	42.8	58.9
1966	50.3	39.9	56.8
1967	46.1	44.1	55.3
1968	44.8	44.8	43.4
1969	42.3	44.4	53.5
1970	39.7	35.2	47.1
1971	36.0	35.9	42.0
1972	35.2	39.0	41.8
1973	43.5	41.0	42.3
1974	39.6	31.0	48.9
1975	38.8	—	52.0
Average for 1962-1975	43.6	37.6	49.2

Source: As for Table I, and External Trade Reports of Jamaica, periodic.

TABLE IV
FOREIGN DEBT CHARGES (J\$ MILLION): 1960-1975

Year	Foreign Debt Charges	Annual % Rate of Change of Foreign Debt Charges
1960	3.5	—
1961	3.7	5.7
1962	3.5	5.4
1963	4.0	14.3
1964	4.2	5.0
1965	5.0	19.0
1966	6.0	20.0
1967	7.2	20.0
1968	7.8	8.3
1969	11.3	44.9
1970	11.4	0.9
1971	12.2	7.0
1972	13.7	12.3
1973	16.3	19.0
1974	19.3	18.4
1975	31.7	64.2
Annual average (%) rate of change 1960-1975:		16.9

Source: As for Table I.

TABLE V
FOREIGN DEBT CHARGES AS PERCENTAGE OF:
(1) Foreign Debt, (2) Exports and (3) Government Revenue
1962-1975

Year	(1)	(2)	(3)
1962	9.0	2.7	4.3
1963	8.7	2.8	4.7
1964	9.4	2.7	4.2
1965	7.6	3.3	4.5
1966	9.2	3.7	5.2
1967	10.0	4.4	5.5
1968	9.5	4.3	4.1
1969	12.0	5.3	6.4
1970	11.4	4.0	5.3
1971	11.9	4.3	5.0
1972	11.7	4.5	4.9
1973	11.2	4.6	4.7
1974	9.4	2.9	4.6
1975	11.6	—	6.0
Average for period 1962-1975	10.18	3.54	4.95

Source: As for Table III.

TABLE VI**FOREIGN DEBT COMPOSITION: 1967-1975 (J\$ MILLION)**

Category	1967	1968	1969	1970	1971	1972	1973	1974	1975
Market Issues	66.2	71.4	69.6	68.9	67.6	63.0	78.6	68.1	66.9
Institutional Loans	7.0	10.6	24.4	31.3	35.1	54.3	66.8	138.2	207.3
Total	73.2	82.0	94.0	100.2	102.7	117.3	145.4	206.3	274.2

Source: Estimates, Annual of Jamaica.

TABLE VII**FOREIGN DEBT COMPOSITION 1967-1975
Principal Categories as Percentage (%) of Total**

Category	1967	1968	1969	1970	1971	1972	1973	1974	1975
Market Issues	90.4	87.1	74.0	68.8	65.8	53.7	54.1	33.0	24.4
Institutional Loans	9.6	12.9	26.0	31.2	34.2	46.3	45.9	67.0	75.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: As for Table VI.

TABLE VIII**FOREIGN DEBT COMPOSITION: 1967-1975 (J\$ MILLION)
Market Issues by Country of Purchase**

Country	1967	1968	1969	1970	1971	1972	1973	1974	1975
U.K.	51.4	57.4	56.6	56.6	56.6	56.6	53.3	54.3	54.6
U.S.A.	11.8	10.6	9.6	8.8	7.5	5.7	14.6	13.1	11.6
Canada	3.0	3.4	3.4	3.5	3.5	0.7	0.7	0.7	0.7
Total	66.2	71.4	69.6	68.9	67.6	63.0	78.6	68.1	66.9

Compiled from Estimates, Annual of Jamaica.

TABLE IX**FOREIGN DEBT COMPOSITION 1967-1975
Principal Purchases of Market Issues (by Country) as Percentage of Total**

Country	1967	1968	1969	1970	1971	1972	1973	1974	1975
U.K.	77.6	80.4	81.3	82.1	83.7	89.8	67.8	79.7	81.6
U.S.A.	17.8	14.8	13.8	12.8	11.1	9.1	18.6	19.2	17.3
Canada	4.6	4.8	4.9	5.1	5.2	1.1	0.9	1.0	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: As for Table VIII.

TABLE X
EXTERNAL DEBT: COST OF MARKET ISSUES FOR 1975 (J\$ MILLION)
Debt Charges

Country	Principal	Interest	Sinking Fund	Management Charges	Total Charges
U.K.	54.6	3.6	1.4	0.01	5.01
U.S.A.	11.6	1.0	0.5	..	1.5
Canada	0.7	0.4	0.04	..	0.08
Total	66.9	5.0	1.94	0.01	6.95

Source: Estimates of Expenditure, 1975-76.

TABLE XI
FOREIGN DEBT: INSTITUTIONAL LOANS OUTSTANDING (1967-1975)
Commercial Institutions (by country of origin) (J\$ million)

Country	1967	1968	1969	1970	1971	1972	1973	1974	1975
Canada	..	0.6	5.4	7.3	6.0	12.0	12.7	10.9	19.6
U.S.A.	6.4	8.6	7.7	12.0	23.4	80.3	130.1
U.K.	0.3	1.0	1.4	1.9
Total	..	0.6	11.8	15.9	13.7	24.3	37.1	92.6	151.6

Source: Estimates, Annual of Jamaica.

TABLE XII
FOREIGN DEBT: INSTITUTIONAL LOANS OUTSTANDING (1967-1975)
Government and Government Agencies (J\$ million)

Country	1967	1968	1969	1970	1971	1972	1973	1974	1975
U.K.	2.8	2.6	2.5	2.3	2.1	2.0	2.0	2.0	1.9
U.S.A.	2.8	4.8	3.4	5.7	6.6	6.8	7.9	8.8	11.6
Canada	0.2	1.0	2.0	3.3	4.2	6.5	8.2	11.7	13.1
Total	5.8	7.4	7.9	11.3	13.0	15.3	18.1	22.5	26.6

Source: As for Table XI.

TABLE XIII
FOREIGN DEBT: INSTITUTIONAL LOANS OUTSTANDING (1967-1975)
International Institutions (J\$ million)

	1967	1968	1969	1970	1971	1972	1973	1974	1975
World Bank	0.2	0.6	1.8	3.4	7.9	10.2	12.1	13.0	14.1
IADB	3.1	8.0	8.7	11.2
Total	0.2	0.6	1.8	3.4	7.9	13.3	20.1	21.7	25.3

Source: As for Table XII.

TABLE XIV
FOREIGN DEBT: DIRECT COSTS OF INSTITUTIONAL LOANS
OUTSTANDING FOR 1975 (J\$ MILLION)

Commercial Institutions	Principal	Interest	Sinking Fund	Total Charges
U.S.A.	130.1	11.4	4.2	15.6
Canada	19.6	1.8	2.4	4.2
U.K.	1.9	0.1	0.5	0.6
Total (Sub)	153.5	13.3	7.1	20.4
Government and Government Agencies				
U.K.	1.9	0.1	0.1	0.2
U.S.A.	11.6	0.3	0.4	0.7
Canada	13.1	0.4	0.4	0.8
Total (Sub)	26.2	0.8	0.9	1.7
International Institutions				
World Bank	14.1	1.2	0.7	1.9
IADB	11.2	0.5	0.5	1.0
Total (Sub)	25.3	1.7	1.2	2.9
TOTAL	205.3	15.8	9.2	25.0

Source: Estimates of Expenditure, 1975-1976.

TABLE XV
GOVERNMENT REVENUE FROM INCOME TAXES: 1967-1975 (J\$ MILLION)

	1967/8	1968/9	1969/70	1970/1	1971/2	1972/3	1973/4	1974/5*
Personal Tax Payments	17.0	20.4	26.3	38.2	47.6	55.0	80.9	109.1
Corporate Tax Payments	27.4	26.0	38.6	49.4	61.7	60.7	66.8	78.5
Total Income Taxes	44.4	46.4	64.9	87.6	109.3	115.7	147.7	187.6

*Estimated figures

Source: Economic and Social Survey, Jamaica, periodic.

TABLE XVI
GOVERNMENT REVENUE FROM INCOME TAXES: MAIN CATEGORIES
AS PERCENTAGE OF TOTAL (1967-1975)

	1967/8	1968/9	1969/70	1970/1	1971/2	1972/3	1973/4	1974/5*
Personal Tax Payments	39.8	44.0	40.5	43.6	43.5	47.5	54.8	58.2
Corporate Tax Payments	61.2	56.0	59.5	56.4	56.5	52.5	45.2	41.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Estimated figures

Source: As for Table XV.

**APPENDIX 1 Institutional Loans. Government/Government Agencies and International
Institutions—Loan Particulars and Direct Costs**

Institution	Loan Particulars	Date Raised	Amount (JS mn.)	Rate of Interest	Other Charges
U.S.A.I.D.	1. Low-cost housing	5-63	1.7	2% per annum (p.a.)	
	2. Water supply	8-63	3.7	2%	
	3. Feasibility studies	11-64	1.3	3.5%	
	4. Dairy development	9-65	1.6	3.5%	
	5. Rural feeder roads	8-71	3.3	3%	
	6. Forestry development	12-73	4.4	2% for first 5 years and 5% thereafter	
	7. Infant feeding	10-73	0.4	3%	
	TOTAL		11.6		
C.I.D.A.	1. Bridge construction	9-65	0.4		C.F.* ¼ of 1%
	2. Sewerage system	9-65	0.7		S.C.** ¼ of 1%
	3. School construction	7-66	0.5		as per 1. above
	4. Road construction	11-66	0.6		„
	5. Radio-telephone system	11-66	0.7		„
	6. Rural housing	2-67	0.1	3%	
	7. Feasibility studies	8-67	0.9	3%	
	8. Water supply	8-67	1.0	3%	
	9. School construction	4-68	0.8		as per 1. above
	10. Bridge construction	10-68	0.2		„
	11. Hospital construction	3-69	0.6	3%	„
	12. Water resources	8-69	1.0	3%	
	13. Water resources	10-70	0.3	3%	
	14. Bridge construction	11-70	0.1	3%	
	15. Road engineering studies	10-71	2.0	3%	
	16. Bridge construction	11-71	0.5	3%	
	17. Hospital construction	1-72	0.7	3%	
	18. Bridge construction	6-73	0.1	3%	
	19. Education	8-73	0.1	3%	
	20. Education	11-73	0.1	3%	
	21. School construction	2-74	0.9	3%	
	TOTAL		12.5		
C.I.D.A. Govt.-Guaranteed Debt	(i) JDB—Working Capital	11-70	1.3	3%	
	(ii) „	8-74	2.0	3%	
	(iii) „	8-74	0.5	3%	
	(iv) „	9-74	1.3	3%	
E.D.C.	(i) Purchase of railway locomotives	3-71	0.7	3%	
	TOTAL		18.3		
World Bank (IBRD)	1. Highway construction	4-65	4.2	5½%	C.F. 3/8 of 1%
	2. Education	9-66	7.3	6%	C.F. 5/8 of 1%
	3. Population project	6-70	0.8	7%	C.F. ¼ of 1%
	4. Education	3-71	0.7	7¼%	C.F. ¼ of 1%
	5. Road improvement	6-73	9.3	7¼%	C.F. ¼ of 1%
	6. Sites and Services	6-74	15.0	7¼%	C.F. ¼ of 1%
	7. Road improvement	6-74	13.5	7¼%	C.F. ¼ of 1%
	8. Airport development	10-74	12.5	8%	C.F. ¼ of 1%
	TOTAL		63.3		

* C.F. = Commitment Fees
** S.C. = Service Charges

Inter-American
Development
Bank (IADB)

1. Self-supporting Farmers' Development Scheme—Stage I	12-70	5.5	2¼%	C.F. ½ of 1%
2. SSFDS—Stage II	9-72	2.0	2¼%	S.C. ¾ of 1%
3. SSFDS—Stage III	9-73	0.7	2¼%	as above
4. Students' loan	3-71	3.2	2¼%	"
5. Road construction	4-74	1.4	8%	"
6. Road construction	4-74	11.5	2%	C.F. ½ of 1%
TOTAL		24.3		

Source: **Estimates**, Annual of Jamaica, periodic.

Note to Appendix 1:

- (i) U.S.A.I.D.—United States Agency for International Development.
- (ii) C.I.D.A. Canadian International Development Agency.
- (iii) E.D.C.—Export Development Corporation of Canada.

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FOOTNOTES

1. These include institutions like Jamaica Development Bank (JDB), Jamaica Mortgage Bank and Air Jamaica.
2. See Table III, Col. (2).
3. See Table III, Col. (3).
4. Finders' fees refer to those payments which have to be made to the private financiers who locate available lenders and organise borrowing on behalf of the government. The fee is usually around 2%-3% of the loan raised.
5. For further discussions, see the next section "The foreign debt: its nature and composition".
6. See Table V, Col. (2).
7. See Table V, Col. (3).
8. Girvan, N., *Foreign Capital and Economic Underdevelopment in Jamaica*, ISER, UWI, 1971, p. 150 *et passim*.
9. See Rodney, Walter, *How Europe Underdeveloped Africa*, Tanzania Publishing House, Dar-es-Salaam, 1972. Chapter VI describes the African experience which is generally applicable to the West Indies.
10. See Table VII for details.
11. Tables VIII and IX give further details.
12. Ministry of Finance officials point out that a 4 per cent per annum Sinking Fund provision with funds invested at a yearly rate of interest of 8 per cent over a ten-year period can provide for approximately 75 per cent of loan repayment, when such repayment falls due.
13. Table XI gives further details.
14. Table XIV gives full details on direct costs of institutional loans outstanding in 1975.
15. Note that the similar ratio for Canadian commercial loans is around 21%.
16. Table XII presents additional information.
17. In the case of Canadian government loans, 66 2/3% of the finance received must be used to purchase goods and services from Canada, while U.S. Eximbank stipulates that 70% of the loan must be spent on U.S. exports. See also "Some constraints on international banking", an address by Sir Arthur Lewis, President, Caribbean Development Bank (CDB) to the Annual Meeting of the Caribbean Association of Industry and Commerce in Dominica, October 1972, where he identifies similar constraints as part of "a list of rules" imposed on the CDB by its lenders.
18. For detailed insights into this and other related aspects of foreign capitalist penetration, see Girvan, *op. cit.*
19. See Tables X and XIV for further breakdown.
20. Quote from U.S. Foreign Assistance in the 1970's: A New Approach, Washington, 1970. See also Hudson, Michael, *Super Imperialism—The Economic Strategy of American Empire*. Holt, Rinehart and Winston, 1974.
21. Over the last year, the present government has imposed a levy on those companies which are exporting bauxite from Jamaica. This represents a limited attempt to maximise tax revenue from imperialist concerns operating locally.
22. One must note, however, that policies of "industrialisation by invitation" which utilise numerous types of incentives for foreign capital can be seriously questioned as to their overall contribution to the national economy. See De Castro, Steve, "Tax holidays for industry: why we have to abolish them and how to do it." *New World Pamphlet*, No. 8, 1973.
23. See Table XV and XVI for details.
24. The most widely known example in Jamaica presently is in the gasoline retail trade where most of the tax burden is recouped by increasing prices.
25. See *Policies and Operations of the World Bank, IFC and IDA*, prepared by The Staff, April 1962 (amended to June 30, 1963), published by the International Bank for Reconstruction and Development, Washington, D.C., 1963. p. 47 *et passim*.

Chapter 7

THE TRADE UNION MOVEMENT IN JAMAICA: ITS GROWTH AND SOME RESULTANT PROBLEMS

1. The Evolution and Growth of Trade Unionism in Jamaica

A trade union could be defined as a continuous association made up primarily of wage earners who use their collective labour power mainly to improve their wages and working conditions.

The trade union movement in Jamaica, however, is not merely the summation of its constituent parts, the individual unions, and their limited activities as defined above. It consists additionally of the linkages which the unions establish with each other, their international counterparts, political organisations, the non-unionised work force, the government, the private sector and other groups in the society. It is therefore the totality of all activities—industrial, social, political—with which the unions are engaged.

The development of trade unionism in Jamaica—indeed in any country—cannot be seen in isolation of the development of capitalism. This is so because the structural pre-requisite for trade unionism—wage labour—is present only under conditions of capitalism. In Western Europe trade unionism did not emerge in the pre-capitalist epochs because there was no wage labour. Similarly, in Jamaica prior to 1838 and the advent of wage labour, trade unions could not have arisen because the slave was legally unfree and could not sell his labour power.

Trade unions, therefore, incarnate the objective differences which exist between labour and capital in bourgeois societies. They are, as Gramsci argues, a proletarian institution peculiar to the epoch when capital dominates history. (Gramsci, 7.) As such, a trade union is a component of capitalism to the extent that it grew out of it, but at the same time the trade union is in opposition to capitalism to the extent that it represents labour which is objectively opposed to capital. Thus, a trade union is in a structurally ambivalent position and must struggle either to straddle the pull of conflicting forces or to break out of them. To do the latter, it requires a political organisation which consists of the best and most class-conscious representatives of the working class, peasants and intelligentsia armed with the proletarian ideology. (Anderson, 2.)

Since the immediate basis of trade unionism is the working class, it is important that that concept be clarified. In this regard, one must not confuse the working class in a social sense with the working class in an economic sense. Indeed, the latter category is of limited analytic utility since it lumps everyone who sells his labour power for wages into the working class. Obviously, this cannot be correct as it would mean that a university professor or the Governor-General belongs to the same class as the janitor or the chambermaid. Marx gives us a major insight into what a social class is when he argues that

“In so far as millions of families live under economic conditions of existence that separate their mode of life, their interests and their culture from those of other classes and put them in hostile opposition to the latter they form a class.” (Marx, 19, p. 303.)

Within this definition, we can observe the characteristics of social class differentiation. First, distinct groups within the society have different interests which are antagonistic to each other, their interests being determined primarily and ultimately according to their relations to the means of production. Secondly, the presence of class consciousness among groups which are similarly located within the structure of production relations and which set them apart antagonistically from other groups. Related to this is the different role which each class possesses in the social organisation of labour. A social class, therefore, as Lenin puts it, consists of “groups of people, one of which may appropriate the labour of another owing to the different places they occupy in the definite system of social economy.” (Lenin, 16, p. 433.)

From this focus one can identify two sets of factors in any definition of *the working class* in a social sense: necessary and sufficient factors. V. L. Allen puts it succinctly *when he argues that:*

“The **necessary** condition for membership of the working class is **selling labour power**, but the recognition of membership depends upon many factors such as **social background**, education, level of income and so on. These comprise the **sufficient** conditions.”
(Allen, 1, p. 178.)

Given that definition of the working class, it is estimated that it numbers some 288,700 in Jamaica or 35.4 per cent of the total labour force or 44.5 per cent of the employed labour force in 1974.¹ Among the left-wing groups there is some controversy over the size of the working class: the Workers' Liberation League (WLL) underestimates it at 120,000 or 20 per cent of the labour force, while the Movement for Social and Political Consciousness (MSPC) exaggerates it at 364,932 or 58 per cent of the labour force.²

TABLE I
LABOUR FORCE BY OCCUPATION, JAMAICA, 1974

Occupation group	No. of Each Category	% of Total Labour Force	No. employed in Each Category	No. & % of Each Category Unemployed
Professional, Technical, Administrative, Executive, Managerial	50,800	6.2	49,500	1,300 2.5
Clerical and Sales	85,500	10.5	72,400	13,100 15.2
Self-Employed & Independent Occupations	270,400	33.2	260,600	9,800 3.2
Service Occupations	115,500	14.2	78,900	36,600 31.7
Craftsmen, Production and Operating Occupations	124,800	15.3	101,100	23,700 18.9
Unskilled, Manual and General Occupations	105,000	12.9	83,500	21,500 20.5
Occupation Not Specified	3,600	0.4	2,000	1,600 44.4
No previous Occupation	58,900	7.2	.	58,900 100.0
Total	814,500	100.0	648,000	166,500 20.4

Source: *Economic and Social Survey, Jamaica, 1974.*

From these figures it is clear that the size of the working class is small when compared to advanced capitalist countries. The small size of the working class is bound up with the relatively undeveloped nature of capitalism in Jamaica, which in turn is related to the uneven development of capitalism internationally. Without doubt, the small size of the working class is a major limitation to the working class movement, trade unionism and the advance of socialism. Significantly, the largest single occupational category is the self-employed and independent occupations, which comprise 33.2 per cent of the labour force, thus reflecting the strong petit-bourgeois character of the Jamaican population. The largest number of workers are to be found in agriculture, forestry, fishing and mining. (Table II.)

TABLE II
LABOUR FORCE BY INDUSTRY, JAMAICA, 1974

Industry Group	Number of Workers	% of Labour Force
Agriculture, Forestry, Fishing and Mining	248,000	30.4
Manufacture	95,300	11.7
Construction and Installation	51,000	6.3
Transport, Communications and Public Utilities	28,000	3.4
Commerce	85,500	10.5
Public Administration	89,700	11.0
Other Services	153,800	18.9
Industry not specified	4,300	0.5
No previous industry	58,900	7.2
Total	814,500	100.0

Source: *Economic and Social Survey, Jamaica, 1974*.

It is necessary for us to explore further our central thesis that the development of trade unionism in Jamaica cannot be seen in isolation of the development of capitalism. In so far as it is possible to assign a specific date for the rise of capitalism in Jamaica that date is 1838. In that year slavery was legally abolished; the slave was legally free and was now able to sell his labour power for wages—a primary defining characteristic of capitalism. Capitalism, which was held in check by the military and political apparatus of the slave system, gradually emerged and blossomed later as its productive forces expanded and as the legal and political superstructure gradually changed.

In the early period of undeveloped capitalism, the working class was very small, the legal and political norms restricted trade unionism, and the psychological and ideological frames of reference of the pre-capitalist period were still in vogue. As a result, the consciousness of the working class was undeveloped. Between 1839 and 1919, however, a number of important changes occurred. First, the productive forces of capitalism expanded both through its local momentum and through the linkages with imperialism in the post-1880s—involving the exploration of agricultural and other resources, and the increasing dominance of finance capital. As capitalism expanded, the size of the working class grew; but, more importantly, there was an increasing socialisation of production which led to a heightening consciousness on the part of the workers, who by 1919 had experienced some 80 years of wage labour. Secondly, during those years the democratic struggles of the mass of poor people—peasants, own-account workers and wage labourers—were waged first against the old representative system, then against Crown Colony government and all the time against the low level of material existence, racial oppression and cultural subjugation. Accordingly, a combination of capitalist advance and democratic struggles gave rise to the formation of workers' associations in the 1890s and in the immediate pre-war period. Among the principal pre-war unions were the Artisans' Union, the Printers' Union, with which Garvey was associated, and the Tobacco Workers' Union.

However, although the development of capitalism, the experiences and democratic struggles of the workers were precipitating the formation of workers' associations, the combination of workers into unions was not yet legally allowed. In 1839, one year after the abolition of slavery, and fifty years after the Combination Laws Repeal Act of England, the Jamaican Legislature, dominated by planters, passed a Combinations Ordinance designed to restrain and punish Combinations among workers or employers—servants or masters as they were then called. The preamble to the Ordinance read:

“Whereas all combinations for fixing the wages of labour and for regulating and controlling the mode of carrying on and manufacture, trade or business, or the cultivation of any plantation, estate or pen, are injurious to trade and commerce, dangerous to the tranquility of the country and especially prejudicial to the interest of all who are concerned in them . . .” (Laws of Jamaica, 15)

With the passage of the Trade Union Law in 1919,³ workers were finally freed from criminal penalties in respect of organising a trade union. Trade unions were now legally free to exist and operate as bargaining agents for workers. The 1919 Law, however, did not provide immunity from actions in tort nor did it legalise peaceful picketing—limitations which were corrected by an amendment to the Law in 1938. The enactment of the provisions of 1919 bring a significant theoretical issue of our analysis into focus: a dialectical relationship existed between the changing nature of the productive forces and the changes in the legal and political superstructure which allowed for the further development of trade unionism after 1919.

The next important historical landmark is the 1938 riots. After those events, trade unionism became a permanent feature of the industrial relations landscape in Jamaica, as workers channelled their struggles institutionally through trade unions and political parties. In the years after, a coalescence of forces springing from the advance of capitalism, the rising consciousness of workers, the democratic struggles in the country, and the changing nature of the legal superstructure propelled trade unionism towards the centre of the industrial relations system.

Our thesis of the development of trade unionism is in contrast to that of G. St.J. Orde Browne, who reported on **Labour Conditions in the West Indies** in 1938-39. He argues that:

"The Organisation of Industry has hitherto made very little progress in the West Indies, so long as prosperity was maintained and the large majority of work people were reasonably provided for, the need for Trade Unions was scarcely felt. With hard times . . . a movement towards combination arose and various Unions were established."
(Orde Browne, 24, p. 43.)

Despite Browne's genuflection to history, his position is basically ahistorical.⁴ If trade unions were formed as a response to "hard times", it is worth asking why they were not formed during slavery nor in the immediate post-emancipation period, when from all accounts conditions were much harder for the working people than in the 1930s.⁵ Indeed, from Orde Browne's argument, Jamaican unions should have arisen first among the better-off workers—the printers, the artisans and longshoremen. It took the general crisis of 1938 to bring the rural workers to the centre stage.

The rise of unionism in Jamaica also has nothing to do with the response to the introduction of labour-saving devices or the diminishing need for the skill of craftsmen. On the other hand, the advent of unionism was tied inextricably to the nature and pace of capitalist development and the resultant changes in the legal and political spheres. As the workers became more experienced as a class; as they grew in number; as the merchant capitalists sought to keep down wages; as the general democratic struggles spilled over into the labour movement; and as the working class in Britain and elsewhere pushed for the extension of trade union rights in overseas colonies, trade unionism arose. Capitalism and its superstructure breed their own opposites and components; in the Caribbean as elsewhere one of these is trade unionism. From that perspective a whole range of conclusions flows.

Having been established, the growth of trade unions has been dependent on the presence or absence of a set of structural and non-structural factors in the social economy. Factors which have tended to inhibit union growth include: the slow and uneven development of capitalism in Jamaica; the small size of the working class; a lack of militancy on the part of some sections of the workers; and destructive inter- and intra-union rivalries. The opposite of these factors would tend to propel unionism. Still other factors may either retard or advance unionism depending on the totality of circumstances in which the workers are placed. For example, unfavourable legislative and administrative action, a hostile employer class and high unemployment have hindered unionism but equally they have generated grievances which have led to increased unionism. Similarly, the political affiliations of trade unions have led in the past simultaneously to union advance and to political divisiveness which in turn has retarded union growth.

TABLE III
TRADE UNION GROWTH 1919-1974

Year	Number of Unions	(Paid-up) Union Membership
1919	1	80
1934	2	80
1941	3	1,080
1944	25	46,000
1949	12	10,700
1954	13	59,410
1962	15	99,199
1970	24	146,389
1974	30	Estimated 150,000

Sources: (a) Trade Unionism in Jamaica: 1918-1946. Central Board of Statistics, Kingston, 1946.

(b) Reports of Department/Ministry of Labour. Government Printer, Kingston.

* Note: 14 Unions amalgamated to register as Trades Union Congress in 1949.

Over the historical period 1919 to 1974, some or all of the above influences have been reflected in the pattern of union growth. During this period one sees four broad stages in the development of Jamaican unionism. First, the groping years, 1919-1941, when union membership increased from 80 in one union to 24,000 in 12 unions—that is, from .009 to 24.8 per cent of the working class.⁶

TABLE IV
UNION MEMBERSHIP AS PERCENTAGE OF WORK FORCE—JAMAICA (1891-1974)

Year	Union Membership	Work Force	Total Population	Union Membership as% of Work Force
1891	—	373,500	639,491	—
1911	—	410,900	831,383	—
1921	80	443,900	858,118	.0018
1946	57,700	484,300	1,321,054	11.9
1960	85,200	606,900	1,609,800	14.0
1970	—	782,700	1,848,500	—
1974	150,000	814,500	2,030,400	18.0

Sources: (a) G. W. Roberts, "Movements in population and the labour force" in G. E. Cumper, ed., *The Economy of the West Indies*.

(b) G. W. Roberts, "Working force of the Commonwealth Caribbean at 1970—a provisional assessment".

(c) *Economic and Social Survey—Jamaica 1974*.

Note: The union membership refers to paid-up membership.

Secondly, the years of rapid expansion 1942-1949, in which union membership rose to 54,000 in 11 unions⁷—that is, some 55 per cent of the working class. Thirdly, the years of slow growth and consolidation, 1950-1962, in which union membership increased to just under 100,000 in 15 unions—that is, 58.4 per cent of the working class,⁸ or 16.3 per cent of the labour force. However, the total union membership, which includes those who have paid their dues and those who have not, is slightly in excess of the estimated size of the working class.⁹ (Table V.)

TABLE V
TOTAL TRADE UNION MEMBERSHIP OF THE THREE MAJOR UNIONS (SELECTED YEARS 1956-1974)

TRADE UNIONS	1956			1964			1974		
	Paying	Non-paying	Total for Each Union	Paying	Non-paying	Total for Each Union	Paying	Non-paying	Total for Each Union
Bustamante Industrial Trade Union	46,601	18,553	65,154	70,359	40,294	110,653	90,219	50,269	140,488
Trades Union Congress	5,440	7,400	12,840	3,411	6,453	9,864	4,256*	6,453	10,709
National Workers' Union	12,502	29,015	41,517	71,840	59,124	130,964	44,000	132,000	176,000
Grand Total	64,543	54,968	119,511	145,610	105,871	251,481	138,475	188,722	327,197

Source: Reports of Department/Ministry of Labour
*The figure used for the TUC was reported in 1969.

It should be noted that some caution must be exercised in relation to the use of figures for trade union membership. In submitting annual returns to the Registrar of Trade Unions, the unions tend to inflate the numbers especially as regards general membership. However, even the more reliable statistics of paid-up members are still suspect since the definition of a paid-up member may vary from union to union and from year to year. Here, we use the figures merely to illustrate trends in union growth and as rough indicators of the sizes of the different unions.

But even with that proviso, when it is considered that Jamaica has had an unemployment rate of 20-25 per cent since the late 50s, the growth of trade unionism has been remarkable. For example, the 1974 trade union membership (paid-up) represents some 66 per cent of the employed working class.¹⁰

In the first period of unionism, 1919-1941, it became legal to organise trade unions. Hitherto, the legal impediment coupled with the slow and uneven development of capitalism in Jamaica were the major hindrances to the formation of many unions and the unionisation of many workers. After 1919 and up to 1937 little trade union activity occurred and the two unions in existence, the Longshoremen's Union Nos. 1 and 2 of the Jamaica Federation of Labour had limited membership. It seems that this period of quiescence was due not so much to the small size of the working class or democratic consciousness and employer antagonism to trade unions. It took the agitation immediately prior to 1938 and the general upheaval of May 1938 coming on the heels of the 1929-1931 crisis of international capitalism to arouse the consciousness of the working people.

In 1937, the Jamaica Workers and Tradesmen Union was registered. It was the first "blanket union" in the country canvassing support from all categories of workers. To that extent, it represented a break with the earlier unions and as such formed part of the genesis of the modern trade union movement in Jamaica. Alexander Bustamante, who was an erstwhile associate of this union at the invitation of its president, A. G. Coombs, deserted or was kicked out of the union after a brief period. The disturbances of May 1938, which sprang from the neglect of the colonial years, shortly thereafter catapulted Bustamante into a labour leader and his cousin Norman Manley into a labour mediator.

The popular uprising of 1938 demanded more wages, better working conditions, more land and effective representation in the running of the country. The crisis evoked broadly based democratic sentiments. As a result, the workers were in a rush to form trade unions to defend themselves against economic enslavement and to support nationalist political organisations in pursuit of governmental authority. After the riots up to 1940, eight trade unions were registered; among these was the Bustamante Industrial Trade Union (BITU), bringing the total registered unions to 12 with a membership of over 12,000. Also formed in this period, with N. W. Manley as prime mover, was the Trade Union Advisory Council—later Trade Union Council—to which most unions were affiliated, but the subsequent defection of the BITU in late 1939 weakened it considerably.

In the immediate post-1937 years, the Government passed a flurry of labour legislation in order to ensure responsible unionism. Unionism was officially encouraged so long as it followed the rules of the colonial game. The colonial regime realised that unless it provided adequate legislation and machinery for the institutionalisation of protest, it would be faced with massive unrest on the streets. To that end in 1938 it amended the 1919 Trade Union Law to permit peaceful picketing and granted trade unions immunity against actions in tort. In 1939 it enacted the Trade Disputes (Arbitration and Enquiry) Law which provided for mediation, conciliation, arbitration and enquiry of trade disputes. Between 1937 and 1941, social legislation was passed relating to minimum wages, workmen's compensation, shop assistants, the removal of penal sanctions for contractual breaches as embodied in the 1842 Masters and Servants Act, safety requirements for factories, the employment of women, slum clearance and the recruitment of workers. (Appendix 1.) In 1939 the Labour Department was established to provide the machinery for guidance of the young unions; the encouragement of collective bargaining, conciliation and arbitration, and the supervision of the implementation of much of the social legislation. At the same time the Emergency Powers Law was passed on June 6, 1938, empowering the Governor to declare an emergency if there appeared to be

any likelihood of interference with the supply of essential services such as food, water, fuel, light and transportation. A number of prosecutions were made of striking workers under the Defence Projects and Essential Service Trade Disputes (No. 2) Order. In 1942, for example, there were 22 such prosecutions, 19 of them in the sugar industry. The clear tactic was to build responsible unionism and to discourage militancy.

The period 1942-1949 represents the years of rapid expansion of the union movement. By 1949 the largest union, the BITU, had some 46,000 members. In those years the pattern of political unionism¹¹ emerged fully with the BITU having as its political arm the Jamaica Labour Party (JLP), and the People's National Party (PNP) having the Trade Union Council, later the Trade Union Congress (TUC), as its trade union affiliate. The former combination won overwhelmingly the first election under adult suffrage in 1944.

The release of Alexander Bustamante on February 8, 1942, from seventeen months of internment under the Jamaica Defence Regulations of 1939 symbolises the upturn in union membership, but no more than that. It is true that Bustamante had built up considerable following as a labour leader since 1938, but the BITU made its most rapid strides while he was in jail. In December 1942 the union signed its final agreement with the Sugar Manufacturers' Association for the 40,000 workers in the sugar industry. It was this agreement that sealed the permanence of unionism in Jamaica. These workers who had played a pivotal role in the 1938 uprising had finally realised their collective strength and as such pushed unionism unhesitatingly forward. This factor above all else was responsible for the initial rapid advance of unionism.

While that advance occurred among a large section of workers, restrictions were placed on trade union organisation in Government Departments. On October 22, 1942, the Authorised Associations (Government Departments) (Defence) Regulations were promulgated, which declared that a union in a Government Department which had non-employees among its members or officers should not be an authorised union. Additionally, the regulations proclaimed that the objects of such unions should not include political ones and that the unions must not be associated directly or indirectly with any political party or organisation. By the end of October 1942, the Railway Union, the embryonic Public Works Employees Union and the Postal and Telegraph Workers' Union were robbed of trade union status. In November 1942, four unionists—Richard Hart, Ken Hill, Frank Hill and Arthur Henry (the 4 Hs)—associated with these unions were detained for defence reasons. In late November, when the harassment of the trade union leaders and unions was well underway, the Government unexpectedly revoked the Authorised Associations Regulations of 1942, allowing non-official leaders to organise subordinate employees in the public service.

In 1943, faced with sharp increases in the cost of living and unemployment,¹² ten unions were formed, seven of them registering before the end of the year to bring the total on the register to seventeen. By 1944 it had jumped to 25 with a total membership of some 46,000. In 1944 the founding of the JLP as the political arm of the BITU to combat the PNP and TUC bloc of unions in the elections that year, added a new dimension and impetus to the union rivalry. Under the direction of the 4Hs the TUC's strength had risen from 9,000 to just under 14,000 in nine months.¹³

After the JLP's success in the elections, the TUC set about preparing the groundwork for the 1949 elections and increased its recruitment drive. In 1948 the TUC decided that it should cease being an association of individual unions and was registered in 1949 as a trade union. Under its umbrella, 14 affiliates amalgamated. Although the JLP again won most seats in the 1949 elections, the PNP received most votes, due in some measure to the trade union and political efforts of the "new" TUC. By 1950 it had 20.3 per cent of the total union membership—the first time any union other than the BITU had exceeded 5 per cent. Although the BITU still controlled the vast majority of union members (76 per cent), the TUC's performance in such a short time was impressive.

In the second period of union growth, the main factors which led to the advance of unionism included the increased consciousness of the workers, their grievances, the political competition between the JLP and the PNP, the revocation of the regulations against union organisation in the Government Service, and the leadership and organisational efforts of the TUC.

With the struggle for union membership joined by the two leading unions—*BITU* and *TUC*—there were 50 representational polls in 1950. Many of the industrial conflicts *during that year* and 1952 were generated by the attempts of the rival unions to “out-militant” each *other* to secure workers’ support. In this respect the *TUC* was the more aggressive, but in doing so it sacrificed paying membership for general membership with the former decreasing and the latter increasing. By 1952 the *TUC* had 23.5 per cent of the total paid-up members and the *BITU* 73 per cent; the former, however, had 28 per cent of the general membership and the latter 69 per cent. Between 1950 and 1952 the struggle for workers’ allegiance was centred mainly in the hotels, commerce, government and the manufacturing sector.

Had the period of intense union rivalry (1950-1952) between the *BITU* and *TUC* lasted longer it would have qualified as a separate epoch in the evolution of Jamaican trade unionism. This rivalry was brought to an end with the internal dissension in the *TUC* over the question of international trade union affiliation. The left-wingers led by the 4 Hs wanted to retain links with the communist-dominated *WFTU* while the centre-right led by Thossy Kelly and F. A. Glasspole sought to realign with international union organisations in the western capitalist bloc. The issue which divided both groups, of course, went much deeper, but the final battle was fought over the question of international affiliation. Unable to wrench control of the *TUC* from the 4 Hs, Thossy Kelly left and formed the National Labour Congress (*NLC*), but the bulk of the members did not go with him. At the same time the *PNP* moved swiftly to expel the 4 Hs from that organisation ostensibly on the ground that belief in communism was incompatible with membership of the party. Soon, thereafter, N. W. Manley, Glasspole and Noel Nethersole announced the formation of the National Workers’ Union (*NWU*). Kelly, in keeping with an agreement with Manley, left the *NLC* and accepted the vice-presidency (later the presidency) of the new union. Manley’s son, Michael, was drafted into the *NWU* not only to combat Hugh Shearer of the *BITU* in the sugar industry but also to assist in crushing the left-wing forces in the *TUC*. By the next year—1953—the *TUC*’s membership had fallen to 7,114 and by 1962 it was 2,805.

On the other hand, the *NWU* made remarkable headway. In its first three years, 1952-1955, the *TUC* had greater membership—6,300 in 1955 for the *TUC* as compared to 2,658 for the *NWU*—but by 1956 the *NWU*’s membership had jumped to 12,502 against the *TUC*’s 5,440 and the *BITU*’s 46,600. The *NWU*, however, had a general membership of 41,517 in 1956 (34 per cent of the total union membership), while the *BITU* had 65,154 members or 53 per cent of total membership.

Among the chief factors which account for the *NWU*’S rise and the *TUC*’s decline was the political strength of the *PNP* which won the 1955 elections. Additionally, the workers were not yet prepared to accept a trade union which had been tainted with the communist label. Moreover, with representational polls on the increase—18 in 1953—the Government issued in 1954 a new set of directions for the taking of these polls which severely discriminated against the *TUC*. The general principle that workers be represented by the union of their choice was qualified by the rule that “the Labour Adviser shall have no dealings with any union associated with communism or under communist influence” (Labour Report 1954, 26, p. 20). This ruling effectively debarred the *TUC* from participation in polls to extend its membership so long as its leadership was pro-communist. Indeed, this ruling was the formalisation of what the Labour Department had been practising for a few years. Co-operation in this respect was enthusiastically offered by the employers who wished to prevent the infiltration of communism and who supported the two-party nexus of *JLP-BITU* and *PNP-NWU*. And, finally, the resources at the disposal of the *NWU* especially with a *PNP* Government in power tipped the scales decisively in its favour.

The period 1956 to Independence (1962) saw the consolidation of the *NWU* and the *BITU* as the major unions. In these years membership increased steadily from 65,974 to 99,199 with the *BITU* and *NWU* commanding over 90 per cent of the membership. In 1962 the *BITU* controlled 61 per cent of the paid-up members and the *NWU* 32 per cent, although the percentage differences were less in respect of general membership. These two unions continued to consolidate their positions

because the conditions tended to favour unionism generally and the BITU and NWU in particular: no major legal impediments existed to "responsible unionism" although the passage of the 1952 Public Utility Undertakings and Public Services Arbitration Law which placed restrictions on strikes in essential services was anti-working class and anti-militant unionism; no severe administrative actions were taken against both major unions; the major employers had come to realise that it made better business sense to allow unionisation in order to maintain industrial peace so long as the unions were "responsible"—a category which fitted BITU and NWU generally; the workers had sufficient grievances stemming from their low level of material existence; the political party support institutionalised them as part of the governmental structure with all the patronage which flows from that; the increasingly sophisticated nature of union organisation with infusion of skilled organisers and negotiators; and the expansion of capitalism through the mining and manufacturing sectors.

These factors, to a large extent, were also responsible for the period of further consolidation between 1962 and 1975. By 1974 there were 150,000 paid-up members as against 99,199 in 1962. (Table VI.) Again the BITU and NWU were responsible for the bulk of the members with 90,219 and 44,000 respectively. Accordingly, it is unlikely that in the foreseeable future, even with the rise of independent unionism, the stranglehold of the two major unions will be broken. To effect such a break-through a social revolution has to be pioneered by groups affiliated with the independent unions or considerable poaching of union membership must be undertaken since the number of non-unionised members of the employed working class is small and difficult to organise because of their spatial distribution in small enterprises.

TABLE VI
WORK STOPPAGE IN JAMAICA BY CAUSATION (1967-70)

Causation	1967	1968	1969	1970
Wages and Allowances	48	24	91	95
Fringe Benefits	-	-	2	3
Working Conditions	5	4	5	4
Dismissals and Suspensions)				
Maladministration	12	-	36	42
Union Recognition	12	4	13	8
Sympathy	-	-	1	5
Lock-out	2	1	-	-
Unknown/Other	16	10	21	30
Total	95	43	169	187

Source: *Economic Surveys, Jamaica*.

Other than the BITU, NWU and TUC—the latter realigning itself with the PNP in the late 1950s—there are some twenty-seven unions on the register which are not closely affiliated to either of the established political parties. A number of these arose in the post-1966 period and have formed a loose confederation or association called the Independent Trade Unions Council (ITAC). Their rise was prompted by the undemocratic nature of the major unions; the failure of the traditional union-party nexus to improve recognisably the workers' lot; and by the upsurge of industrial and general societal unrest. Principal among the independent unions are the Municipal and Parish Council Workers' Union, the University and Allied Workers' Union (UAWU), the Jamaica Congress of Labour and the Electrical and Construction Workers' Union. Among ITAC's aims are the establishment of democracy in trade unions; the achievement of 100 per cent trade unionism; the opposition of anti-union laws such as the Labour Relations and Industrial Disputes Act of 1975; the advocacy of nationalisation of industry and workers' control; and the strengthening of the forces of scientific socialism against capitalism and imperialism. (ITAC, 10, pp. 1-2.)

For the most part, the independent unions are organised in enterprises hitherto untouched by unionism or only marginally organised. Some, however, such as the UAWU, have displaced one or

other of the major unions as bargaining agents in certain undertakings. Additionally, although these unions are independent of the established political parties they are *not* independent of politics. For example, Dr. Trevor Munroe, vice-president of the UAWU, is general secretary of the Marxist-Leninist organisation, Workers' Liberation League (WLL); Chris Lawrence, a leading official of ITAC's secretariat, is a major functionary of the newly-formed Communist Party of Jamaica.

Often it is popularly argued that the party which is in governmental power causes its companion union to lose support to its rival on the ground that the union whose party is in opposition is likely to be more militant thus increasing its support. Apart from the over-emphasis on one variable to explain union growth, there is no statistical foundation for the proposition. Between 1944 and 1949, when the JLP was in office, it is true that the growth of its affiliate, the BITU, slowed down—although there was no real decline—as against the TUC's growth, but the latter was not too spectacular. During the years 1949-1955, with the JLP in power, BITU's membership fell or remained constant in 1950-52, but it jumped sharply in 1953 and 1954. Between 1955 and 1962, when the PNP was the governing party, its union ally, the NWU, increased its membership from 2,658 to 32,499, but at the same time the BITU almost doubled its membership from 33,339 to 61,163. During the years 1962 to 1972 when the JLP was again in power, the BITU expanded its membership, while the NWU's paid-up membership actually decreased from 71,840 in 1964 to 38,676 in 1972, although it had a non-paying membership of 88,324. The only years for which the proposition seems partially valid are those between 1962 and 1964 when the NWU's membership rose spectacularly from 32,499 to 71,840, while the BITU's increased more slowly. But even here the latter's membership moved from 61,163 to 70,359 or an average annual increase of 3,065.

On the other hand, the data suggest that increased membership generally goes to the union whose party wins the election. In 1944, after the JLP's electoral victory, the BITU's membership jumped from 37,112 to 46,538; in 1950, one year after the PNP received more votes than the JLP although the latter obtained more seats, the BITU's membership fell from 46,000 to 32,788 while the TUC's rose from 7,000 to 8,570; in 1956, after the PNP's victory, the NWU's membership increased from 2,658 to 12,502 while the BITU's decreased from 49,804 to 46,601; in 1962 after the JLP's 1961 Referendum win and its 1962 election victory, the BITU's membership rose from 51,355 to 61,163, though in this case the NWU's membership also increased from 25,762 to 32,499. After both the 1967 and 1972 elections, the trends have been similar: in 1967 when the JLP won the elections, the BITU's membership increased and the NWU's declined; after the PNP's victory in 1972 the NWU's membership increased between 1973 and 1974 from 38,000 to 44,000 while the BITU's decreased from 95,958 to 90,219.

The data therefore reveal that **generally** the Jamaican worker has a greater tendency to shift to the union whose political ally has won the elections. This is done in the belief that employment opportunities may be gained or retained or that some form of patronage may be obtained for himself or his family. These are critical considerations since the Government employs some 15 per cent of the labour force (Roberts, 28) and commands abundant resources. Clearly, however, the force of this proposition is limited by a number of factors, chief among them being the organisational strength and patronage-dispensing capacity of the opposition union-party.

Since 1919, the trade union movement in Jamaica has experienced by and large unilinear growth. With the exception of two brief periods of slight decline in the early 1950s and the late 1960s, the movement has increased steadily. Within that broad framework, there has been uneven growth depending upon the uneven development of capitalism and the workingclass; the fluctuations in the political fortunes of the affiliated political parties; the type of leadership; the nature and level of trade union organisation; the extent of accumulated grievances; and the frequency of the upsurge in the democratic struggles.

2. Some Problems in Jamaican Unions: a Re-statement and Summary

In the foregoing analysis of the growth of the Jamaican labour movement, some problems affecting trade unions were raised such as the small size of the working class; unemployment; the struc-

turally ambivalent position of unions under capitalism; the political division of the working class; the lack of democracy in trade unions; state action against some unions and the working class generally; the institutionalisation of workers' protest and the inability of unions to transcend capitalism. In this section we shall explore further a few of these difficulties.

The fact that political unionism has contributed to the growth of trade unionism in Jamaica should not lead us to ignore some of its harmful consequences. Because of the small size of the country, the limited employment opportunities and the power of government patronage, the division of workers into union and political blocs has led to a virtual tribalisation of unionism and politics to the detriment of the workers. Fundamentally, the division has prevented a united and sustained attack by the working people against capitalism. A failure to do this has allowed multiple class coalitions in politics to mask the control of the economy and polity by the bourgeoisie and big landlords. Often the division of workers even leads to physical attack by workers against workers as has been evident at the waterfront and in the bauxite industry.

Generally, social scientists including Michels (20), Lipset (17), and Coleman (3) have recognised that there is general lack of democracy in organisations and in trade unions in particular. This is equally so in Jamaica, where a handful of leaders at the union headquarters exercise authority and make decisions with little or no involvement by the rank-and-file workers. To be sure, the leaders are often responsive to the interests and demands of the workers, but are hardly ever responsible to them. While the constitution of every union provides for a democratic structure from the branch level to the central executive with policy reviews at annual, biennial or triennial general meetings, there is hardly a corresponding practice. Meetings are either infrequently held or dominated by a few persons; elections are often manipulated thus accounting for the virtual permanence of union leaders. Among the factors responsible for this "rule by a few" are: the organisational skill, eloquence and literacy of the leaders as against the functional illiteracy of a large number of workers, the control of communications inside the union by the leaders, their dominance of negotiations, and the extra-union support of stable union leadership from political parties and employers.¹⁴ This last factor is critical as the "union leaders, having acquired authority over their members, are used to assist capitalism in controlling the workers." (Hyman, 9, p. 18.)

However, since social processes, despite their apparent stability, breed their own contradictions, we find that leaders are not always successful in keeping their members in line. This happens most frequently when the leaders fail to solve disputes speedily through negotiating channels and workers resort to strike action without the sanction of the official leadership. In most cases the leadership tends to behave in an opportunistic and unprincipled manner: it gives vocal support to strikes in order to retain the workers' allegiance while simultaneously seeking to undermine it.

In an effort to limit strike action, the state with the full support of most employers¹⁵ has enacted anti-strike legislation in essential services and in other undertakings where a strike may be deemed "gravely injurious to the national interest." (LRIDA, 18) It is doubtful, however, given the low level of material existence that workers would easily submit to attempts to outlaw strikes.¹⁶ They are the only effective weapon they possess against intransigent employers, although it is limited to the extent that it is an abstention on capitalism, not an assault upon it.

Employers often present the high incidence of strikes¹⁷ (see Table XII) as a "problem" for the union movement and the society generally which must be curbed by strong leadership and tough laws. (Gershenfeld, 5, p. 4.) However, such a formulation ignores the fact that until social reconstruction is effected and just bargaining procedures are instituted strikes will continue with increasing frequency. Most strikes are caused because of inadequate wages, and maladministration involving dismissals, suspensions or undue delay in settling grievances (see Table VII.) Moreover, strikes are most frequent in critical industries such as agriculture, construction, manufacturing and the public sector (see Table VIII.)

The state not only operates against the working class in its law-making capacity. It often uses the police, the military and its administrative machinery against militant workers or unions. Moreover,

the judiciary displays, on balance, a marked anti-working-class bias.¹⁸ More *generally*, the state seeks to incorporate the unions into its structure through political office and *other forms of patronage*. As Trotsky argues:

“Monopoly capitalism is less and less willing to reconcile itself to the independence of trade unions. It demands of aristocracy who pick the crumbs from its breakfast table that they become transformed into its Police Force before the eyes of the working class. If that is not achieved, the labour bureaucracy is driven away and replaced by the fascists.” (Trotsky, 32, p. 11.)

Fundamentally, the principal weakness of the Jamaican trade union movement—and indeed trade unions universally—is the fact that its structural place within capitalism does not allow it of its own accord to transcend capitalism. It can improve workers’ condition under capitalism but it cannot threaten its stability. To do that a working class party consisting of the most advanced workers and intellectuals is needed. (Munroe, 23.) Antonio Gramsci puts the issue as follows:

“Trade unionism is evidently nothing but a reflection of capitalist society, not a potential means of transcending society. It organises workers, not as producers but as wage earners, that is, as creations of the capitalist system of private property, as sellers of their labour power. Unionism unites workers according to the tools of their trade or the nature of their product, that is, according to the contours imposed on them by the capitalist system. (Gramsci, 7, p. 45.)

TABLE VII
WORK STOPPAGES BY INDUSTRY, JAMAICA (1962-1970 Selected Years)

INDUSTRY	No. of Strikes	% of Total	WORKERS INVOLVED		MAN-DAYS LOST	
			Number	% Distribution	Number	% Distribution
1962						
Agriculture	23	17.0	5,241	32.5	56,323	45.6
Construction	51	37.7	5,751	35.7	28,916	23.4
Services	13	9.6	1,614	10.0	14,669	11.9
Government Services	7	5.2	893	5.5	3,818	3.1
Manufacturing	23	17.0	1,570	9.7	8,873	7.2
Commerce	16	11.8	963	6.0	10,961	8.9
Transportation	2	1.5	49	0.3	271	0.2
Total	135	100.0	16,081	100.0	123,831	100.0
1965						
Agriculture	12	32.4	20,465	80.8	238,232	82.1
Manufacturing	5	13.5	459	1.8	4,312	1.5
Construction	6	16.2	1,429	5.6	16,470	5.7
T'sport and Comm.	4	10.8	1,785	7.1	11,966	4.1
Commerce	2	5.4	264	1.0	3,652	1.3
Services and Other	8	21.6	914	3.6	15,530	5.3
Total	37	100.0	25,316	100.0	290,162	100.0
1967						
Agriculture	25	26.3	5,028	28.2	34,873	20.2
Manufacturing	26	27.3	3,908	21.9	49,204	28.5
Mining	1	1.1	117	0.7	507	0.3
Construction	17	17.9	2,562	14.3	63,886	37.1
Electricity, Gas, etc.	7	7.4	3,411	19.1	11,804	6.8
Commerce	4	4.2	339	1.9	2,035	1.2
T'sport and Comm.	6	6.3	1,881	10.5	4,173	2.4
Services	9	9.5	603	3.4	7,105	4.1
Total	95	100.0	17,849	100.0	173,587	100.0

TABLE VII (Contd.)

WORK STOPPAGES BY INDUSTRY, JAMAICA (1962-1970 Selected Years)

INDUSTRY	No. of Strikes	% of Total	WORKERS INVOLVED		MAN-DAYS LOST	
			Number	% Distribution	Number	% Distribution
1969						
Agriculture	24	14.2	6,483	15.6	236,744	68.7
Mining	—	—	—	—	—	—
Manufacturing	19	11.2	3,313	7.9	20,566	6.0
Construction	12	7.1	838	2.0	11,566	3.3
Commerce	5	3.0	276	0.7	2,304	0.7
T'sport and Comm.†	8	4.7	6,310	15.1	18,690	5.4
Services	2	1.2	1,325	3.1	1,200	0.2
Electricity & Misc.	14	8.3	991	2.4	7,483	2.3
Public Sector*	85	50.2	22,638	54.3	40,906	11.7
Total	169	100.0	42,174	100.0	339,285	100.0
1970						
Agriculture	13	6.9	1,658	4.2	10,237	2.7
Mining	11	5.8	5,670	14.2	12,695	3.3
Manufacturing	28	14.6	4,608	11.5	33,707	8.8
Construction	28	14.6	9,031	22.6	266,452	69.3
Commerce	15	8.0	78	0.2	244	0.06
T'sport and Comm.†	7	3.7	5,691	14.2	18,601	4.8
Services	10	5.3	2,828	7.1	8,035	2.1
Electricity & Misc.	4	2.1	422	1.1	2,719	0.7
Public Sector*	71	37.6	9,415	23.5	31,946	8.3
Total	187	100.0	39,401	100.0	384,636	100.0

Sources: (a) Reports of the Ministry of Labour.

(b) Economic Surveys, Jamaica.

Notes: (i) Not every strike statistic is reported; thus the above figures are approximate only.

(ii) In 1969 and 1970,† includes Jamaica Government Railway and Air Jamaica.

(iii) In 1969 and 1970, * refers to Central and Local Government and Statutory Authorities.

APPENDIX 1

LABOUR LEGISLATION IN JAMAICA (1839-1975)

1. An Act to restrain and punish combinations among Masters or Servants. (3 Vict., Cap. 30, 1839)
2. An Act for abolishing the practical labourers within this island, for giving summary power to Justices of the Peace, and providing for infirm and diseased persons for a limited time. (3 Vict., Cap. 56, 1840)
3. An Act to amend the 12th section of the Act to Regulate the Apprenticeship of Minors. (5 Vict., Cap. 35, 1841)
4. Masters and Servants Act (5 Vict., Cap. 43, 1842)
5. An Act to encourage immigration into this island and to promote the industry of immigrants and to amend the Act of 5th Victoria commonly called the Masters and Servants Act. (15 Vict., Cap. 38, 1852).
6. Shop Assistants Law, 1912.
7. Shop Assistants (Amendment) Law, 1914.
8. The Trade Union Law, 1919.
9. Shop Assistants (Amendment) Law, 1923.
10. Shop Assistants (Hours) Law, 1925.
11. Employment of Children (Prohibition) Law, 1933.
12. The Shop Assistants Law, 1935.
13. The Shop Assistants Law, 1937.
14. The Workmen's Compensation Law, 1937.
15. The Minimum Wage Law, 1938.
16. The Trade Union (Amendment) Law, 1938.
17. The Shop Assistants (Amendment) Law, 1938.
18. The Trade Disputes (Arbitration and Enquiry) Law, 1939.
19. The Workmen's Compensation (Amendment) Law, 1939.
20. The Masters and Servants (Amendment) Law, 1940.
21. The Trade Union (Amendment) Law, 1940.
22. The Factories Law, 1940.
23. Dock Workers (Protection against Accidents) Law, 1941.
24. Employment of Women Law, 1941.
25. Factories (Amendment) Law, 1942.
26. Workmen's Compensation (Amendment) Law, 1942.
27. Labour Officers (Additional Powers) Law, 1943.
28. Holidays With Pay Law, 1947.
29. Minimum Wage (Amendment) Law, 1948.
30. The Public Utility Undertakings and Public Services Arbitration Law, 1952.
31. The Trade Union (Amendment) Law, 1952.
32. Workmen's Compensation (Amendment) Law, 1952.
33. Workmen's Compensation Law, 1954.
34. The Apprenticeship Law, 1954.
35. Holidays With Pay (Amendment) Law, 1954.
36. Kingston Port Workers (Superannuation Fund) Law, 1954.
37. Minimum Wage (Amendment) Law, 1954.
38. Minimum Wage (Amendment) Law, 1957.
39. The Public Utility Undertakings and Public Services Arbitration (Amendment) Law, 1957.
40. The Apprenticeship (Amendment) Law, 1957.
41. The Shops and Offices (Amendment) Law, 1957.
42. The Trade Disputes (Arbitration and Enquiry) (Amendment) Law, 1957.
43. The Factories (Amendment) Law, 1959.
44. The Public Utility Undertakings and Public Services (Amendment) Law, 1959

45. The Trade Union (Amendment) Law, 1959.
46. The Factories Law, 1960.
47. The Workmen's Compensation (Amendment) Law, 1960.
48. The Holidays With Pay (Amendment) Act, 1963.
49. The Public Utility Undertakings and Public Services Arbitration (Amendment) Act, 1966.
50. The Shops and Offices (Amendment) Act, 1966.
51. The Dock Workers (Protection against Accidents) (Repeal) Act, 1968.
52. The Factories (Amendment) Act, 1968.
53. The Holidays With Pay (Amendment) Act, 1969.
54. The Public Utility Undertakings and Public Services Arbitration (Validation of Notice) Act, 1969.
55. The Trade Union (Amendment) Act, 1969.
56. The Employment (Termination and Redundancy Payments) Act, 1974.
57. The Minimum Wage (Amendment) Act, 1974.
58. The Labour Relations and Industrial Disputes Act, 1975.

APPENDIX 2

The other unions referred to in TABLE IX are as follows:

1. The Machado Employees' Union.
2. Independent Port Workers' Union.
3. Water Commission and Allied Workers' Union.
4. United Port Workers and Seamen's Union.
5. Jamaica Federation of Musicians.
6. Western Seamen's Union.
7. Jamaica Independent Workers' Union.
8. Sugar Industry Clerical and Technical Association.
9. Port Supervisors' Union.
10. Jamaica Federation of Labour.
11. Domestic Workers' Union.
12. Jamaica Congress of Labour.
13. Union of Technical, Administrative and Supervisory Staff.
14. Jamaica Maritime Union.
15. Printers and Allied Workers' Association.
16. Jamaica Omnibus Services Workers' Union.
17. Jamaica Workers' Union.
18. Electrical and Construction Workers' Union.
19. Independent Trade Union Advisory Council.
20. University and Allied Workers' Union.
21. Association of Supervisors, Surveyors, Engineers and Technicians.
22. West Indies Group of University Teachers.
23. Refrigeration and Appliance Workers' Union.
24. Dockers and Maritime Workers' Union.
25. Jamaica Union of Bank Employees.
26. Municipal and Parish Council Workers' Union.

The following unions submitted returns: (5), (10), (12), (18), (20), (26). There are, however, a number of other active unions which did not submit returns.

FOOTNOTES

1. See Table I: **Labour Force by Occupation, 1974**. The total labour force is 40.1 per cent of the total population. Our estimate is arrived at as follows:
All of the unskilled, manual and general occupations, 105,000; 2/3 of the craftsmen, production and operating occupations, 83,200; ½ of the service occupations, 57,750; ½ of the clerical and sales, 42,750.
Our figure is approximate to the size of union membership (paying and non-paying) of the three major unions—NWU, BITU and TUC—which account for some 92 per cent of total union membership. The 1974 membership figure for these unions was 331,732. This figure is somewhat inflated, especially the non-paying component of it. Moreover, the membership may include people who are not strictly speaking working-class.
2. For the controversy between WLL and MSPC, see
 - (i) WLL, **What We Defend**, Mona, 1974. p. 20.
 - (ii) ———, **Socialism!**, Vol. 2, No. 9, September 1975.
Article by Marvin Stuart, "Reply to Proletarian Spark", pp. 38-43.
 - (iii) MSPC, **Proletarian Spark**, Kingston, 1975. pp. 15-18.
 WLL and MSPC use the 1972 figures for their estimate. In Stuart's article, it seems as though WLL's estimate of 120,000 refers to the industrial proletariat.
3. The Law passed through a combination of forces: (i) Labour unrest in Jamaica; (ii) Labour unrest in Britain and USA which was widely reported in the local press; (iii) Agitation by trade union leaders such as Bain Alves and (iv) the "reform-mindedness" of the Governor, Sir Leslie Probyn. Some commentators have exaggerated the effect of the latter factor. See for example, G. Eaton, "Trade union development in Jamaica", **Caribbean Quarterly**, Vol. 8, No. 2, 1962.
4. This is true also of a number of writers on industrial relations in the West Indies. They include Farley⁴, Phelps,²⁵ Henry⁸ and Knowles.¹⁴
5. The same debate is present in the literature on the origins of trade unions in the United States of America. For example, Lloyd Reynolds, (p. 25) points out that the workers were much better off in 1800 than before, yet it was around the later date—1800—that unions arose.
6. The working class in both 1919 and 1941 is taken to be some 20 per cent of the work force. Thus the size of the working class in 1919 was 88,780, in 1941, 96,860. (See Table IV.)
7. In 1949, 14 unions amalgamated under the TUC banner, came together as one registered union.
8. The working class in 1962 is estimated at 28 per cent of the working force.
9. The total union membership of 327,000 for 1974 was distributed as follows:
BITU—140,488; NWU—176,000; TUC—10,709; other unions—10,000.
10. In footnote 1, we estimated the size of the working class to be 288,700. Assuming the unemployment rate to be proportionately distributed in each category listed in footnote 1 and Table I, the unemployed members of the working class number some 62,150.
11. Basically, the main indices by which the pressure of political unionism can be discerned are (i) the continuous effort invested in day-to-day political operations; (ii) the great importance attached to political objectives and affiliations; (iii) the virtually complete integration, in an organisational sense, of the trade union and political party.
12. See **Report** of the Labour Department, 1943.
13. This refers to paid-up and non-paid-up members.
14. In a discussion of the links between bourgeois trade union leaders and capitalism, see Hyman (9).
15. For a discussion on this question, see Ross (30).
16. The refusal of the striking workers in September 1975, at the Jamaica Public Service Company—which provides an essential service—to buy their leaders and the Tribunal set up under the LRIDA is a case in point.
17. Between 1962 and 1974, 1,116 strikes have taken place involving 275,237 workers and a loss of 2,203,077 man-days.
18. See Milholland (21) and Gonsalves (6).

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Chapter 8

NOTES ON THE QUESTION OF A NATIONAL MINIMUM WAGE FOR JAMAICA

1. Wages and Employment in a Capitalist Economy

In order to arrive at an adequate understanding of the question of a National Minimum Wage for Jamaica, it is necessary to start from a correct theoretical analysis of the nature and operation of the wage system in capitalist economy and the specific historical forms of that system which have developed in Jamaica.

It is evident from such an analysis that what is at issue in the current discussion of a national minimum wage, is the inherent inability of the wage system itself, or the system of capitalist employment, to provide productive employment for our people at a wage which would enable every worker and his or her family to enjoy a standard of living that is consistent with some socially acceptable minimum.

This inability is inherent in the wage system as such. This is because it is a system which is based on the employment of labour at whatever level the wage settles on the market, and with the overriding objective that such employment return a profit which is acceptable to the capitalist employer. (We leave aside, for the moment, areas of wage employment such as domestic service and the civil service that are outside the orbit of direct profit-making activity). In the operation of the labour market under the capitalist rules of the game, the employer seeks to keep wages as low as possible so as to make profits as large as possible. The workers struggle, within the limits of their organised strength, to resist this pressure and to improve their living and working conditions. There is no guarantee that the wage which the market thus determines will be sufficient to provide for the minimal requirements of the worker and family. It may well fall below that minimum for large groups of workers in unskilled occupations in the least organised sectors of the economy.

As between capitalists and workers, the wage relation is an **antagonistic** relation. For, the capitalists can increase the rate of their profits only by lowering wages; the workers can increase their wages only through a reduction in the rate of profits. This antagonism is inherent in the nature of production. Because of this, any attempt to raise the wage above the level which it would otherwise reach may be expected to incur the active resistance of the capitalists. One way out, for the capitalists, is to introduce mechanised techniques of production which raise the productivity of labour and thereby increase profits. But not all capitalists, and especially not the smallest ones (the petty capitalists), can obtain the finance required for investment in such techniques. For the workers, on the other hand, introduction of such techniques may involve a reduction in employment.

Once the capitalist labour market has determined what amount of employment is profitable at the going wage, and with existing techniques of production, the workers that are left without jobs must try to squeeze out a living in whatever way they can, in domestic service, by self-employment, begging, or theft, or by relying on relatives. The size of this pool of labour is augmented over time by the systematic erosion of traditional forms of petty commodity production (small-peasant cultivators, self-employed shopkeepers, craftsmen and seamstresses) due to expansion and concentration of capital (as in bauxite mining, supermarket retailing, textile manufacturing, etc.) and by fluctuations and technical reorganization of production in capitalist industries.

It is the continued existence of this pool of labour—the **reserve army**—which aids the capitalists in holding down the wage of workers employed in unskilled and semi-skilled occupations. This is because the ready availability of the reserve army weakens the bargaining power of employed workers. Furthermore, because of the large size of this reserve army, there is no necessity or compulsion, from the point of view of the circulation and reproduction of capital as a whole, for the capitalists to pay to employed workers a living wage. A living wage would consist of the necessities of food, clothing, shelter, medical care, etc., that are required to sustain the workers' ability to continue to

work. These are the **necessary costs of reproduction** of the workers' capacity to labour or labour-power. But, since the capitalists can recruit from the reserve army as much labour-power as is required for production, there is no imperative to pay a wage (either directly or through taxation of profits by the state) adequate to meet these costs. The objective evidence of this is in the malnutrition, disease, illiteracy, poor housing and high rate of early mortality among the masses of working people.

The predominance of low-wage unskilled and semi-skilled jobs in the available total of capitalist employment in Jamaica is a reflection of the backward level of technology which continues to prevail throughout the economy, both in traditional large-scale agricultural activities producing for export (sugar, bananas, etc.) and in small-scale farming, as well as in the innumerable activities of petty-capitalist enterprise in the manufacturing, commercial and service sectors. In the case of traditional export agriculture, the existing conditions of production are inherited from a long past history of colonial control of the economy and reflect the continued subordination of production to the requirements of international capital. All such activities continue to survive chiefly because of the existence of a huge reserve army of cheap labour and in the degree to which they are sheltered in one way or another from competition of other capitalists.

Expansion of total employment depends on the rate of re-investment from the total pool of surplus produced in the economy. The more capital-intensive the techniques that are involved in this investment the less rapid is the expansion of employment, and *vice versa*. For the existing pool of unemployed labour to be absorbed there has to be a **sustained** and rapid expansion of total employment. A net transfer of labour out of low-wage employment requires, further, that there be a sufficiently rapid expansion of employment in high-productivity industries. However, in a dependent capitalist economy thoroughly integrated into international capitalism as is the Jamaican economy, there is little or no prospect of such a sustained expansion of employment. This is for a number of reasons. In the first place, a substantial share of the available surplus is drained away through repatriation of profits by foreign corporations and banks, payment of interest on foreign loans, and consumption of imported luxuries by the wealthy classes. This drainage from the national economy is not on average offset by new foreign investment. Secondly, the overall rate of investment tends to vary sharply in accordance with recurrent crises in the international capitalist economy. Thirdly, much of whatever new investment occurs tends to embody highly capital-intensive techniques that are adapted to the profit requirements of capitalist firms and to the pattern of consumption of the wealthy classes, therefore giving rise to a very small gain in employment. All of this means that the predominance of low-wage jobs along with the existence of widespread unemployment tends to become permanent, in-built, features of the economy.

Thus, the problems of unemployment and sub-standard wages in Jamaica are neither arbitrary nor accidental. For reasons indicated in the foregoing analysis, **they are definite and mutually related products of the same system, the particular system of capitalist employment which exists in Jamaica**. There is therefore no way of eliminating these problems so long as that system continues to be the chief source of employment for the masses of people.

In conditions of economic backwardness such as those which currently exist in Jamaica, the only system which has concretely demonstrated the ability to solve the problem of unemployment and at the same time raise the living standard of the masses of the people to a decent and reasonable level is the system of socialism. This is abundantly clear from all the evidence for the socialist economies of China and Cuba. The reason for this is also clear. With a system of social ownership and control of national production, it becomes possible to restructure the pattern of employment and production so as to make maximum use of available labour, to seize hold of the available surplus for ploughing back within the national economy in accordance with a rational plan for development, and to distribute the available output of consumption goods among worker-families so as to ensure a reasonable minimum of consumption for every family while eliminating the luxury consumption of the rich.

In capitalist economies, whether backward or advanced, various types of legislative action, expenditures by the state, and economic reform have been developed in response to the struggles of workers to improve their conditions of work and living standards. Such measures sometimes serve to alleviate, to a limited extent, the material conditions of some sectors of the working class. Taken by themselves, however, such measures do not eliminate the basic causes of those conditions.

It is in this light that the current proposal for a national minimum wage in Jamaica must be examined.

2. History of the Minimum Wage Law in Jamaica

A Minimum Wage Law came into existence for the first time in Jamaica in December 1938. This and other related developments (like the Moyne Commission Report) were a direct outcome of the worker-peasant revolt which occurred earlier that year, forcing upon the national consciousness an awareness of the desperate economic conditions facing the majority of the people.

The Law empowered the Minister of Labour to fix a minimum wage-rate for any or all sectors of employment in the economy and to appoint Advisory Boards for advising the Government on specific sectors. The first Advisory Board to be established (in 1940) was that for the sugar industry. Subsequently advisory Boards were established for other sectors as follows (with dates of establishment in brackets): Beverages (1943), Printing (1944), Dry Goods (1945), Catering (1947), Hotels (1951), Laundry and Dry Cleaning (1954), Retail Petrol (1954), Drugs (1954), Garment Making (1961), Frozen Confectionery and Dairy Processing (1964). A minimum wage (without an Advisory Board) was introduced in the baking trades in 1965. It thus took about twenty-five years for coverage to be extended to this limited range of sectors, and coverage has remained limited to those same sectors up to the present time. (A National Minimum Wage covering all sectors of the economy was announced by the Government in early October, 1975). The actual fixing of a minimum wage is even more limited: only seven of those sectors actually have an established minimum wage. These were indicated in Table 1, which shows the level of the minimum wage established in the different sectors and the revisions that have been made at various times since 1967.

It is evident from Table 1 that there has been a substantial lapse of time, averaging about 3 to 4 years, between revisions in the level of the minimum for each sector. With sizeable increases in the cost of living in the interim, this has meant a sharp decrease in the actual purchasing power of the minimum wage between increases. The increase in the minimum when it comes, has usually been insufficient to compensate for the previous decline in purchasing power.

The legislated pattern of minimum wage involves a sizeable spread in the level of the minimum between sectors, the difference being about 8 to 1 between the highest (Urban Baking) and the lowest (Rural Retail Petrol). This pattern reflects in part the difference in reproduction costs of labour-power and organizational strength of workers in the different sectors. It reflects also, and more importantly, the imperative to preserve a profit margin in each sector so as to allow the individual capitalists to survive. For, given the difference in labour productivity and capital per man between sectors, a difference in the minimum wage is required to ensure an adequate margin of profit for each capitalist. In general, this imperative is especially great from the point of view of petty capitalists and agrarian landlords operating usually with a small margin of profit in low-productivity sectors and with a labour force of mostly unskilled and semi-skilled labour. It is less great for big monopoly-capitalists operating with a large profit margin and with a well organised labour force of mostly skilled labour paid at a rate which is significantly above the minimum. It is therefore an imperative which derives from the needs and interests of petty-capitalists and the influence which they have exercised up to now in Jamaica over the policies of the state. The failure of extension of the coverage of the Minimum Wage Law reflects the same set of factors and influences. A policy of setting a higher minimum for sectors in the low-productivity range would be consistent with this imperative if it were accompanied by a system of state-financed subsidies to preserve the profit margins of those sectors. But such a policy would require increased taxation of profits of the big monopoly-capitalists and would therefore run up against the resistance of those capitalists.

The considerations outlined in the previous paragraph suggest that a policy of differentiated levels of minimum wages that are low on average while falling off sharply in the lower range may be in the mutual interest of all sectors of capital at a particular time. However, changes in that policy may come about at other times in accordance with the changing interests of the different sectors of capital, changes in their respective degree of control over the state, and the changing conditions of the workers' struggle. Some reasons for this in the currently changing situation of the Jamaican economy will be considered below.

Enforcement of the existing law has been entrusted to authorized officers who are staff members of the Labour Department. They are empowered to enter employers' premises, inspect records, investigate complaints and undertake legal proceedings against alleged offenders.

Failure of the enforcement mechanism is one of the chief complaints that are often made. Such failure has an objective basis in the small size of the staff entrusted with enforcing the law, in complicity between employers and the state apparatus, and in the disorganised state of the workers, which, along with the pressure of the reserve army, dictates the submission of the workers to sub-standard wages.

3. Current Situation of the Jamaican Economy

The raising of the issue of a national minimum wage at this time is by no means an arbitrary or accidental occurrence. It has, rather, a certain necessity deriving from objective conditions existing in the Jamaican economy at this time. At one level, this necessity arises now, as in 1938, from the crushing economic conditions facing the masses of people, workers and peasants, which conditions have deteriorated sharply in recent years. At a deeper level, it derives from contradictions associated with those conditions and with the particular needs and requirements for continued expansion of the major sectors of capital in the contemporary period. These contradictions dictate a range of policy solutions and overall programme of economic reform of which the national minimum wage proposal constitutes but one part.

As to the facts of the contemporary situation, much can be gleaned from available statistics. Though the statistics are not entirely adequate for present purposes, some are nevertheless relevant and these are presented in the accompanying Tables. (See Appendix.)

One of the most striking conditions, observable with the naked eye, is the great disparity in incomes between different groups of the population, with a concentration of high incomes among a small few at the top and the great majority receiving incomes below what by any standard could be considered a reasonable level. This is attested to by all the available statistics.

In a study reported in 1971, it was estimated that the poorest 60% of the Jamaican population received only 19% of the total national income while the highest income group constituting 5% of the population received 31% of national income as their share.* Lying behind this pattern of income distribution and giving rise to it is, of course, a similar pattern of concentration of property and wealth. In this connection, the study showed that the situation in Jamaica is an extreme one by comparison with other countries. In only 6 other countries, from a listed total of 44, was the income share of the poorest 60% less than that estimated for Jamaica.

Latest available data (for 1973) on income distribution are equally revealing (see Table 2). Take as a measure of the bare essentials of survival in 1973 an average weekly income of \$20, which is approximately (allowing for inflation) what the state currently pays to unskilled labour employed in "make-work" projects under the Impact Programme. Then it is evident that about 76% of the employed labour force received an income below this level. The position of females was somewhat worse than that of males: 81% of females fell below this level and 73% of males; but together, as members of the same dispossessed class, they shared in the same conditions of deprivation.

* See I. Adelman and C. T. Morris, "An Anatomy of Income Distribution Patterns in Developing Nations", *Development Digest*, October 1971, p. 27.

Table 3 gives a more detailed picture of income distribution in terms of *the* sectoral pattern. It reveals sharp inter-sectoral variations in the pattern of distribution. The *proportion* of the employed labour force in each sector receiving a weekly income of less than \$20 varies from a high of 94% in agriculture to a low of 8% in mining. The highest concentrations of deprivation (more than 70% of the sectoral labour force receiving less than \$20 per week) are in agriculture, commerce (wholesale-retail trade, financial intermediaries, etc.), and other services (domestic and personal services, schools, hospitals, hotels, etc.). These are also the sectors which contain the great majority, 63% altogether, of the total labour force. On the scale of concentrated deprivation, the manufacturing sector is not far behind these, with 65% of the labour force in that sector getting less than \$20 a week. The lowest concentrations are in mining and public utilities.

A disaggregated picture in terms of different social strata and economic groupings of the population can be had from the household savings survey of 1972 (see Tables 4 & 5). The data show that there is much less concentration of deprivation among wage employees of the state than among private-sector employees, and much less among all wage-earners taken together than among self-employed persons (petty commodity producers of various sorts). When viewed in terms of different occupational and skill strata, it is among craftsmen, semi-skilled, unskilled, and "other skilled" categories that the greatest concentration of deprivation occurs.

To complete the overall picture regarding the existing pattern of deprivation in the Jamaican economy, consideration must be given to the prevailing high rate of unemployment which, by official estimates, has remained at around 22 per cent of the labour force. Unemployment is relatively more severe among women than men and is concentrated among the 14-24 age group (the rate being about 41% in this group) and among service occupations, clerical and sales personnel, and unskilled occupations.* The significance of unemployment in the present context is that it adds to the total number of non-earning dependents in each worker-family and reduces thereby consumption per capita within the family. The current situation is such that every 3 employed persons in Jamaica have one unemployed person to support in addition to 6 other dependents too young or too old to work.

Essentially, these data point to a basic structural condition of **uneven development** which has been characteristic of the national economy through all phases of its history. This condition has, however, become intensified in the past 15-20 years. This is due to the specific form of development that has occurred during this period, consisting of a large expansion of production in mining based on foreign capital and accompanied by rapid growth of national and international capital in construction, public utilities and various manufacturing activities. Employing mostly skilled labour with highly mechanized techniques of production, these sectors have generated small pockets of high-income employment which accentuate the pattern of income inequality in the system. Property income (dividends, interest, rent) in these sectors and among the bigger merchants and traders has also grown correspondingly.

The process of capitalisation of agriculture has not kept pace with these developments, due to the much higher rates of profit to be made elsewhere in the system. There seems to have been even some significant decumulation and running down of existing plant and equipment in some areas of traditional export agriculture such as sugar production. As a result, agricultural productivity has failed to rise and incomes in agriculture have remained low relative to other sectors. At the same time there has been a systematic erosion of sectors of petty commodity production based on handicrafts and peasant farming as a consequence of competition from imported consumer goods and concentration of land under the ownership of foreign mining companies, local big landlords and real-estate speculators. This process has created pools of dispossessed labour, forced to enter other forms of low-productivity, petty-commodity production, to migrate or to join the reserve army of unskilled, unemployed labour. In these various ways, the concentration of deprivation at one end of the social system and polarisation of high incomes at the other end, are a direct product of the process of expansion and concentration of capital under the control of both national and international capitalists.

* See **The Labour Force 1973**, Department of Statistics, Jamaica.

Account must also be taken of the rapid **inflation** in consumer goods prices in recent years, accelerating to an annual rate of some 25% or so for the food and drink category which forms the major component of working class budgets. The effect of this has been to erode further the **real** income position of working class households, peasant families and fixed-income groups, while swelling the incomes of merchants, traders and industrial capitalists. Inflationary conditions have existed in Jamaica for some time prior to the recent "energy crisis" and general crisis of world capitalism. Though aggravated by the current crisis, inflation cannot therefore be fully explained in terms of that crisis. Inflation is rather to be understood as **an outcome of the process of uneven development itself** by which some sectors expand ahead of and at the expense of others. Once the expansionary momentum of the advancing sectors gets underway, capitalists, merchants and middlemen of various sorts attempt to take advantage of the attendant shortages by raising prices above values seeking thereby to increase profit margins. The greater the monopoly position of each of these groups, the greater is the upward pressure on profit margins. As prices rise, workers react by pressing for wage increases to offset the reduced purchasing power of their money incomes. Cost increases due to rising wages then feed the inflationary process. The whole process is sustained by the struggle between workers seeking to defend their real incomes and property owners seeking to increase their respective shares in the total pool of surplus value.

4. Thesis on the Current Phase of Capitalist Development in Jamaica

Deeper analysis of the concrete conditions of the Jamaican economy and the process of its historical evolution up to the present is required in order to reveal the central contradictions of the current phase of capitalist development in Jamaica. Only in this light can the specific role of the proposed national minimum wage and the general programme of economic reform which constitutes the main task of the state at this time be firmly grasped. There is a pressing need for such analysis which still remains to be done. Meanwhile, the following **theoretical** arguments could seem to be warranted.

There is, first of all, a **basic contradiction** in the polarization of incomes and in the restricted consumption of the masses of the people associated with the existing pattern of income distribution. This contradiction can be explained as follows: Capitalism tends to produce and reproduce in the course of its development the polarization of incomes. The restricted incomes of the workers engaged in wage employment are the very basis upon which the owners of property are able to continue to appropriate a share of the product. The owners gain an additional share of the national product through the inequality of exchange with non-capitalist producers (peasants and petty-commodity producers) which depresses the living standards of those producers. But, at the same time, in order to realize the surplus value which is produced in this way, capitalism requires a growing mass market for the sale of the increasing quantities of commodities that are produced in the expanding industries. **The restricted consumption of the masses of the people is an obstacle to the development of that mass market.**

There are a number of ways in which the capitalist state can act to speed the growth of a mass market. These include, as at the present time in Jamaica, (a) the expansion of state expenditures to provide increased employment of labour in the state sector, (b) efforts to raise the wages of the most depressed sectors of the working class through provision of social security and improvement of the minimum wage law, (c) various ongoing attempts to improve and expand trading relations with other states in the Caribbean region and elsewhere. While providing short-term remedies these efforts cannot, however, resolve the basic contradiction involved. For that contradiction is rooted in the existing structure of ownership of property, which directly produces the polarization of incomes, and in the continuing drive for expansion of surplus value which is the fundamental motive force of capital.

It is necessary also to take account of the role of **imperialism**. Imperialism produces, by reason of the global interests of international capital, the drain of surplus value from one sphere of the world capitalist system to be used for re-investment in other spheres. In any **one** country, as in the case of

Jamaica, the inflow of capital may at one time (in the heyday of "bauxite expansion") exceed the outflow, but subsequently this relation may be reversed. The surplus which *then* drains out of the national economy is not available for re-investment and hence development of the productive forces is thereby retarded. **This is the basic contradiction of imperialism.**

The basic contradiction of imperialism is the contradiction of capital itself. Specifically, it is the contradiction of capital to seek continuously to expand the production of surplus value, while holding back the full development of productive forces. But the specific form and implications of this contradiction may differ as between one country and another, or between one sector of capital and another, and at different times. Generally, one form of appearance of this contradiction is in the inability to realize the whole of the surplus value produced, as manifested in recurrent realization crises. Under imperialism, however, the realization problem need not be faced **directly** by capital in **the country in which surplus value is immediately produced**. This is especially the case where capital is invested mainly in production of raw materials, minerals, foodstuffs and tourist services that are intended chiefly for export and **not** for direct sale on the domestic market. This has been predominantly the case in Jamaica up to now. It is an essential feature of the "bauxite-tourism phase" of capitalist development in Jamaica. However, it seems that a transition is now occurring from this phase and, while that feature continues into the newly emerging phase, it is not the dominant one or, at least, its relative significance is considerably reduced.

These theoretical considerations have a direct bearing on the problem at hand. The important feature of the new phase of capitalist development in Jamaica is the emergence of an increasingly significant base of **national industrial capitalists** with an increasing *degr e* of control over the state. It is the relationship between **imperialism**, with its contradictions that in reality have now become obvious, and **the interests of this particular group of capitalists** which dictates some of the main tasks that have to be carried out by the state in this period. Specifically, because this relationship involves a number of (non-antagonistic) conflicts, some structural readjustments are called for in the economic system.

In this connection, what is most important for present purposes is that, unlike the foreign capitalists, the national capitalists, relying essentially on the national market for sales of their product, do face a realization problem. They face also the need for the development of basic infra-structure in the domestic economy for the purpose of facilitating further investment. These problems are also aggravated by the low rate of re-investment by foreign capitalists in the national economy. In this situation an increase in the minimum wage plays a significant role. To the extent that it raises wages in foreign-owned enterprises, it cuts down on the outflow of current revenues and increases thereby income and demand in the domestic economy to the advantage of the national capitalists. Of course, in the longer run, the wage increase may also have a distinctive effect on new foreign investment. This is especially likely in the case of "run-away shops" which are most immediately attracted by low wages to begin with. For this and other reasons the outcome is neither entirely unambiguous nor completely controllable. It becomes all the more important, therefore, for the state to seek to **capture directly** some of the outflow. By gaining control in this way over a greater share of the available surplus, the state at the same time secures a greater ability both to control the direction of investment activity in the interests of the national capitalists and to make a larger pool of new capital available to the national capitalists for their own investment. All of this accounts for a policy of increasing levies and taxation on foreign corporations as well as a policy of outright nationalization in some cases. These together form a part of a total policy package or general programme of economic reform, along with the introduction of a national minimum wage. This particular set of policies cannot, however, be pushed too far without an adverse reaction on the part of international capital. This, in turn, sets a decisive limit on the ability of the state to continue to pursue those policies. Such a limit arises out of the basic needs and requirements of **national capital itself**, in terms of finance, technology and markets, which drive such capital to become increasingly dependent upon and subordinated to international capital.

There is a contradiction also in the relations between industry and agriculture, or between town and country, deriving from the conditions of unequal exchange between the two and from the conditions of uneven development. There are complex reasons for this, which can be briefly stated as follows:

The expansion of industry sets up increased demand for the products of agriculture in the form of food items and raw materials for industrial processing. But the ability of the agricultural sector to respond to these demands is severely constrained due to the backward techniques and organisation of agricultural production, including patterns of land tenure, and to the limited availability and high cost of finance which inhibits investment in fixed and working capital, thereby perpetuating the existing low level of productivity. Furthermore, the proliferation of layers of middlemen between agricultural producers and consumers eats into the share of the revenues which return to the producers, despite rising prices of agricultural products. This factor, together with the rising prices of commodities which the peasants buy from the industrial sector cuts down on peasant incomes, forcing the peasants to sell their labour into wage employment in industry, or to emigrate, thereby reducing the output of agricultural commodities. At the same time, the rising cost of reproduction of labour-power in agriculture, due to the rising price of commodities which agricultural labourers consume, pushes up agricultural wages. This eats into the profits of small capitalist farmers forcing some of them out of business, thereby reducing further the output of agricultural commodities or its rate of expansion. The effect of all this would be to retard the growth of industrial production were it not for the ability to continue to import the required commodities. This ability is in turn constrained by the outflow of surplus from the national economy.

One way of breaking through these constraints is for capital itself, or rather, **big capital**, to take command of agricultural production, restructuring the organizational forms and scale of production through increasing concentration of ownership, while pumping credit into the system to provide fixed and working capital. But the low rate of expected return from this form of investment relative to other alternatives makes it less attractive to international capital. And the drainage of surplus from the national economy inhibits the ability of the state and national capitalists to move in on a substantial scale.

What are the implications of a national minimum wage in this context? The implications are two-fold and contradictory. In the short run, an increase of the minimum wage may force some small farmers out of business, thus compounding the problems of agricultural output. But in the long run, this is likely to speed up the process of rationalization of agricultural production through forcing the **less efficient** farmers out of business and enabling the concentration of land ownership in the hands of the more efficient. In the meantime, while contributing to some loss of agricultural employment, the minimum wage serves to raise the incomes of those agricultural workers who are able to remain employed. In seeking to resolve these contradictory effects, the state is likely to pursue a policy of **gradual increase** of the minimum wage in the agricultural sector, allowing time for adjustments to take place. But this policy, by itself, does little to resolve the underlying contradiction in the relations between industry and agriculture. It therefore has to be supplemented by other policies, which are no more effective, such as for instance, state ownership and leasing of land* (Project Land-Lease)*.

There is a contradiction, moreover, between big and small capitalists, whether they be operating in industry or in agriculture. This contradiction derives ultimately from the expansionary momentum of capital which drives individual capitalists into competition with each other. In the particular case of big and small capitalists, it derives from the ability of big capital to command a larger pool of surplus value and greater access to finance for investing in relatively advanced techniques of production, marketing and distribution of the product. Big capital in the process of its expansion therefore eats up small capital through mergers, take-overs, or erosion of the latter's markets. **The effect of a minimum wage here is to enhance the position of big capital relative to small capital.** It does

* See Carl Stone's article "Tenant Farming Under State Capitalism".

this by raising the labour costs of small capitalists operating usually with more labour-intensive methods of production, cutting down on their profits and forcing some of them out of business. Big capital is thereby able to capture additional markets as well as expand its available labour force of skilled and semi-skilled labour from the displaced workers.

All of these contradictions converge upon and receive **political** expression in a growing militance on the part of workers and poor peasants with reactions taking place among capitalists of all sorts, rich peasants and landlords. The policies of the state must be seen as arising out of, and responding to, the shifting forms of confrontation between these various groups.

5. Thesis on the Proposed National Minimum Wage

Minimum wage laws have been developed in all capitalist countries at one time or another in response to the struggles of workers to improve their living and working conditions.

The experience of all such countries shows that the adoption of a minimum wage law, while bringing about certain (relatively minor) adjustments in the economic system, has never been the cause or the basis of a major structural readjustment in capitalism.

On the contrary, effective implementation of a national minimum wage may, for various reasons that have been shown here, directly serve the interests and needs of capital and especially **big** capital in the course of its development.

It is the organizational weakness of **independent** workers' movement in Jamaica, along with the rebellious mood of the urban and rural poor facing severe economic deprivation, which accounts for the attempt on the part of the ruling party to project itself forward at this time as defender of the poorest workers calling for a national minimum wage.

It is the most backward sectors of capital, the smaller merchant capitalists and petty capitalists, along with big land-owners and middle peasants, and middle class employers of domestic servants, who would most resolutely oppose the implementation of a national minimum wage. This is for reasons deriving from their objective position in the economic system.

All sectors of capital would of course oppose a significant increase in the overall level of minimum wages since it would mean a substantial reduction in the overall rate of profits. But a less significant increase could be relatively easily absorbed by big capital and may work to its advantage. The bigger capitalists are thus likely to support such an increase.

Political considerations arising at a different level from that at which the present analysis is located enter into the actual determination of the national minimum wage in Jamaica at this time. But all indications point to the likelihood of a slight increase in the overall level of the minimum, special concessions being made to backward sectors, especially in agriculture, so as not to require too severe adjustments in those sectors in the immediate future.

To press for a substantial increase in the minimum wage along with a wide range of other "welfare" schemes, is to support the struggle of workers against the grinding conditions which they face in their daily life. But at the same time it is necessary to oppose **economism** and **reformism** which seek to uphold the minimum wage as an end in itself, failing thereby to expose the true nature of the system which produces and reproduces the daily life of the workers.

DONALD J. HARRIS

TABLE 1
**WEEKLY MINIMUM WAGES FIXED UNDER THE MINIMUM WAGE LAW,
AND CONSUMER PRICE INDICES**

Sector	1967	1968	1969	1970	1971	1972	1973	1974
Baking								
Urban	10.05	n.c.	n.c.	15.05	n.c.	n.c.	n.c.	22.05
Rural	8.41	n.c.	n.c.	13.40	n.c.	n.c.	n.c.	20.40
Printing								
Newspaper	6.95	n.c.	13.00	n.c.	15.00	n.c.	17.50	n.c.
Job Printing	6.70	n.c.	7.83	n.c.	10.00	n.c.	12.00	n.c.
Dry Goods	3.75	n.c.	n.c.	n.c.	4.22	n.c.	n.c.	n.c.
Retail Petrol								
Urban	2.30	n.c.	n.c.	3.36	n.c.	n.c.	n.c.	n.c.
Rural	2.00	n.c.	n.c.	2.80	n.c.	n.c.	n.c.	n.c.
Laundry & Dry Cleaning								
Urban	3.00	n.c.	n.c.	3.00	n.c.	n.c.	n.c.	n.c.
Rural	2.40	n.c.	n.c.	3.20	n.c.	n.c.	n.c.	n.c.
Hotels & Guest Houses	4.80	n.c.	5.00	7.20	n.c.	n.c.	n.c.	n.c.
Catering	4.67	n.c.	n.c.	n.c.	7.01	n.c.	n.c.	n.c.
Consumer Price Indices								
Urban: Food & Drink	100.0	104.2	111.2	118.4	131.4	141.8	146.3	184.0
All Items	100.0	103.2	109.4	116.2	127.5	136.0	144.0	171.6
Rural: Food & Drink	100.0	107.9	110.8	116.8	132.0	142.4	150.5	189.2
All Items	100.0	106.4	109.4	114.8	126.9	135.9	143.4	172.6

Source: Government of Jamaica, *Economic Survey*, 1973, 1974.

- Notes: (1) Wage rates are quoted in Jamaican dollars.
 (2) Price indices are annual means with base January 1967 = 100.
 (3) n.c. = no change.

TABLE 2
**DISTRIBUTION OF EMPLOYED LABOUR FORCE BY AVERAGE
WEEKLY INCOME: CUMULATIVE PERCENTAGES**

INCOME GROUP	TOTAL EMPLOYED LABOUR FORCE	MALES	FEMALES
No Income	7.8	7.5	8.1
Under \$10	45.8	41.8	51.9
\$10-\$20	76.4	73.1	81.4
\$20-\$30	86.9	86.1	88.3
\$30-\$40	93.4	92.7	94.4
\$40-\$50	95.7	95.0	96.7
\$50-\$75	97.8	97.4	98.5
\$75-\$100	98.7	98.5	99.0
\$100 and Over	100.0	100.0	100.0

Source: Department of Statistics, *The Labour Force* 1973.

TABLE 3
SECTORAL DISTRIBUTION OF EMPLOYED LABOUR FORCE BY AVERAGE
WEEKLY INCOME: CUMULATIVE PERCENTAGES

INCOME GROUP	Agri., For. & Fishg.	Ming., Quarg., Refng.	Mfg.	Constr. & Instl.	Pub. Util.	Comm.	Trsp., Stor. & Com.	Pub. Admn.	Other Serv.	Ind. not Stated
No Income	11.9	0	9.1	6.4	0	8.1	1.3	0	3.0	9.3
Under \$10	66.6	5.9	33.0	19.2	5.4	46.1	9.7	10.1	41.7	24.8
\$10-\$20	93.8	7.9	65.4	52.9	19.3	79.2	31.2	33.4	83.0	57.0
\$20-\$30	98.0	17.7	80.3	81.1	46.2	89.5	63.2	52.1	91.0	91.2
\$30-\$40	99.2	35.3	89.5	93.3	64.2	92.8	83.2	79.7	95.2	93.1
\$40-\$50	99.6	49.5	93.4	96.4	79.1	94.9	90.2	87.2	96.7	93.1
\$50-\$75	99.8	75.6	96.3	98.2	96.2	97.2	94.8	95.0	97.7	100.0
\$75-\$100	99.9	93.1	97.6	99.0	96.3	98.3	95.6	97.5	98.3	—
\$100 & Over	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	—
Percentage of Total Employed Labour Force	32.0	1.9	12.4	6.2	1.0	14.3	3.3	10.9	16.8	1.1

Source: The Labour Force Survey 1973, unpublished data.

TABLE 4
INCOME DISTRIBUTION OF SAVERS CLASSIFIED BY
WORKER STATUS: CUMULATIVE PERCENTAGES

Annual Income	Total Savers	Government Employees	Non-Govt. Employees	Self- Employed	Not Classified
Under \$500	57.9	29.2	49.3	75.2	80.6
\$500-\$999	78.0	53.6	75.4	88.3	90.1
\$1,000-\$1,999	91.3	83.8	89.6	96.4	94.1
\$2,000-\$3,999	97.4	96.7	96.4	98.8	98.5
\$4,000-\$4,999	98.4	98.3	97.8	99.3	98.5
\$5,000-\$9,000	99.2	99.7	99.0	99.6	98.5
\$10,000 and Over	100.0	100.0	100.0	100.0	100.0

Source: National Savings Committee, Household Savings Survey, 1972.

Chapter 9

TENANT FARMING UNDER STATE CAPITALISM

Volumes of reports have been written to diagnose the many economic and related problems in Jamaican agriculture but attempts at advancing feasible and workable prescriptions for change especially in the short run are exceedingly rare. It is against this background that one has to assess the enthusiasm and eagerness with which the Manley Government embraced and launched in 1973 Project Land-Lease, developed by Ted Tatham and patterned on the Alcan plan of supplemental tenancies. The project has been functioning for approximately two and a half years, and it is therefore essential that it be assessed in terms of its contribution to increasing the economic and political power of the small peasantry for which it was designed.

The project can be seen through two main perspectives. The first concerns the immediate economic and social benefits accruing from the scheme to the farmers involved in it; while the second relates to the extent to which the project changes either power relationships between the small farming peasantry and more powerful groups, or basic relationships between the peasantry and the land. In either case, the changes emerge largely from state intervention seeking to modify and change supply and demand relationships for land and other factors of production in agriculture **while working through the capitalist market economy** and leaving largely intact **the property rights and large land-holdings of the capitalist class**.

More importantly, the planning of the project and its administrative control rest with technocrats in the Ministry of Agriculture, whose charge it is to minister to the needs and welfare of the small peasant clientele on terms controlled decisively by the former. For these three reasons, the project is seen as essentially state capitalist in direction as it seeks to merely increase the efficiency and welfare content of the capitalist market mechanisms in agriculture without basically transferring ownership or control or political or administrative power to the peasantry, while subjecting them to the bureaucratic tutelage of the Civil Service technocracy.

In addition to examining the immediate benefits of the scheme, it will therefore be necessary to explore the class and power implications of this approach to agricultural development. The discussion consists of three parts. The first sets out certain administrative details of the project; the second, a profile of the farmers in Land-Lease I followed by the complaints and benefits as perceived by Land-Lease I farmers; and the third, the impact of the project on power relationships.

The material presented in sections two and three are based on data collected by the author in a sociological survey of 420 tenant farmers on 25 farms in July and August 1974.

PART ONE—ADMINISTRATIVE DETAILS

Between April 1973 and July 1975, 14,355 tenants have been placed on approximately 63,000 acres of land situated on roughly 250 properties. The emphasis to date has been on Land-Lease I, as only 729 tenants have been placed in Land-Lease II and 25 in Land-Lease III.

LAND-LEASE I

Land-Lease I is the continuation of the existing programme with the rate of farmer placements being accelerated. This phase will continue on the same basis as before, i.e., the leasing of land from private owners for periods of from 5 to 10 years and the renting of supplemental tenancies to farmers living within approximately 2 miles. Credit will be provided for all major expenses (land preparation, planting material, fertilizer, etc.) and covered by produce sales contracts to the A.M.C. Emphasis in land use will continue to be on a rapid increase in domestic food crop production.

LAND-LEASE II

Land-Lease II will involve lands owned (or to be acquired) by Government to provide farmers with long-term—up to 49 years—supplemental leaseholds.

The highlights will be: --

1. Farmers must live within approximately 2 miles.
2. Holdings will be tailored in size to achieve the difference between what the farmer can earn from his own land and what is considered to be an adequate income (J\$1,500-J\$2,000).
3. Some lots will be full economic units for those persons with a home and little or no farm land—in choosing such allottees emphasis will be placed on youth.
4. Terms will include hereditary rights, compensation for capital improvements, termination due to non-performance and similar credit arrangements as for Land-Lease.
5. Emphasis in land use will be on the long-term development of the whole “farm”.

The Concept of Land-Lease II

- (a) It brings the land to the man instead of the man to the land and as a result “marries” man with land in the **quickest and least costly way**.
- (b) It tackles the fragmentation problem **positively** by providing the means by which thousands of occupants of uneconomic-sized holdings can have the opportunity of making a reasonable living.
- (c) **In economic terms** Land-Lease II improves rather than aggravates the fragmentation problem by producing greater farm viability -albeit through physical fragmentation.

LAND-LEASE III

Land-Lease III will involve properties owned (or to be acquired) by Government and not located near enough to populated areas for supplemental leaseholds. The properties will be subdivided on the basis of full economic units under leasehold settlements. Various forms of co-operative management are to be tried. Emphasis in the choice of allottees will be on youth. Land-Lease III will in future years form the basis of Government’s major thrust into land reform.

The land allotted has not been of the best quality. Only 55% or approximately 35,000 acres represent arable land which means that there are actually only 2.4 acres of arable land per farmer in the project. Unofficial estimates indicate that there are approximately 500,000 acres of idle land in Jamaica owned by Government, big land-owners and smaller farmers. If these estimates are correct, Project Land-Lease has so far only scratched the surface of the problem of idle and unutilised land.

At current levels of production, Project Land-Lease is generating some 4 million dollars worth of crops per annum from some 20,000 acres planted. While not an insignificant level of output, it hardly approaches or can have much impact on the over 100 million dollars spent on food imports every year.

Two additional factors are worth noting about Land-Lease production. The first is that there is no firm evidence that the output represents a net increase in production, since a study done in February-April 1974 indicated only a 2% net increase in land under production after taking into account the other holdings of the land-lease tenants, before and after the commencement of the scheme. The second is that only approximately 25% of this output is sold through the government marketing agency A.M.C., with the result that delinquency in the repayment of debts remains a serious problem in the scheme.

Between April 1973 and January 1974, of the \$320,000 credit advanced to farmers, only \$6,174 was repaid. Part of the problem is simply that farmers are accustomed over the years to avoid repayment of Ministry loans, but in some cases there is little ability to repay because of the low incomes earned.

PART TWO—PROFILE OF THE TENANT FARMERS

One important issue that arises in the selection of participants in any small farmer scheme is the need to ensure that those selected represent genuine farmers who need land and have a minimal experience in farming. This is especially the case in Jamaica as many land distribution schemes have often allocated land to non-farmer speculators and the more well-to-do members of the farming

community who are able to exercise more social and political influence than the more needy and land-hungry rural poor. In addition, in the post-war pattern of consolidation and growth of large land holdings especially for non-agricultural purposes, many poor small farmers have sold land to obtain ready cash with the result that many such persons have fallen in the ranks of the unemployed and under-employed. The survey data reveal that Project Land-Lease has been able to overcome this selection problem by applying careful and objective selection procedures.

Two indices of the measure of success attained in this regard are the previous occupations of the tenant farmers and the amount of land they own. Table 1 reveals that slightly less than two-thirds of the tenant farmers were previously engaged in farming lands under their control and another approximately one-fifth of these tenant farmers were employed as farm labourers. This means that eight out of every ten of these tenant farmers have had some experience working the land but mainly as independent small farmers.

Of the remaining approximately twenty per cent roughly two-thirds were skilled workers in various artisan trades and the remainder divided between housewives and persons engaged in small business pursuits such as shopkeeping.

TABLE 1
PREVIOUS OCCUPATIONS OF TENANT FARMERS PRIOR TO LAND LEASE

Occupation	% of Sample
Small Farmer	61
Farm Labourer	20
Artisan & Service Worker	15
Small Businessman	3
Housewife	1

Although 61 per cent of the tenant farmers had previous experience as independent small-holders working small acreages on an own-account basis, a large percentage of these persons had no access to land at the time of selection for the scheme. It will be observed from Table 2 that among the sample of tenant farmers, as many as 51 per cent of the farmers had no land to work. The implication is that the scheme has managed to extend land to a large number of farmers and agricultural workers who for one reason or another had no access to the small agricultural plots which have been the traditional basis of subsistence and income generation in rural Jamaica.

TABLE 2
LAND OWNERSHIP AMONG TENANT FARMERS

	% of Farmers
No access to Land	51
Rented Land	5
Leased Land	8
Owned Land	32
Squatted	4

It will also be noted from Table 2 that of the remaining 49 per cent of the farmers, 32 per cent owned land while the others rented, leased or squatted on land. Slightly less than one-third of the farmers were therefore working land on a freehold basis. The small percentage of tenant and leasehold farmers indicates the extent to which access to land on the "free market" on a basis other than freehold has been restricted. This is in spite of the fact that the poor small farmers in Jamaica have traditionally desired both leased and rented land where shortage of cash prevents acquisition by freehold. To this must be added the high price of land in modern Jamaica which places access to land by outright purchase beyond the means of poor agricultural labourers and landless farmers.

Table 3 sets out the distribution of land size among the tenant farmers with access to land and includes all owned, leased and rented agricultural land available to the farmers prior to selection on Project Land-Lease. It will be noted that the majority of these holdings are very small plots of land with some 55% of the holdings being less than 2 acres in size. Fully 82% of these holdings are less than 5 acres in size and only 6% fall between 5 and 6 acres and 8% above 8 acres. The data on land holdings further underscore the genuine small farmer character of the tenant farmers selected for Project Land-Lease. The average acreage is 2.4 acres which is similar to that among small farmers for the island as a whole.

TABLE 3
SIZE OF AGRICULTURAL LAND OWNED, RENTED OR LEASED
BY TENANT FARMERS

Size of Land	% of All Farmers with Access to Land
Less than 2 acres	55
Between 2 acres and 3 acres	14
Between 3 acres and 4 acres	10
Between 4 acres and 5 acres	3
Between 5 acres and 6 acres	6
Between 6 acres and 8 acres	4
More than 8 acres	8

Another important index of the success of the selection process is the extent to which the scheme attracts full-time farmers as against persons able only to devote a part of their working hours to farming endeavours. While part-time farming is not inherently undesirable, it could carry with it many undesirable features in a scheme such as Project Land-Lease, including poor farm management, allocation of farm land to persons with multiple sources of non-farm income and unjust rewards accruing to hired labour. The survey data reveal that 83.8% of the tenant farmers are full-time farmers whose main livelihood derives from working the land. 7% supplement their income through wage labour in farming and 6% from non-farming wage employment. The remainder earn income from petty business activity.

The level of income earned by the tenant farmers prior to recruitment into Project Land-Lease, also gives a clear picture of the socio-economic level of the small farmers and workers selected in the scheme. Table 4 gives the distribution of money income earned by the tenant farmers in the period immediately preceding their involvement in Project Land-Lease. The data presented on income are of questionable accuracy, however, since 106 or approximately 25% of the farmers were not able to give any estimate of their cash income. Within the limits of this gap in the data, it will be noted that most of the tenant farmers earned \$10 or less per week and as much as 74% earned \$20 or less. Only 8% of the cash income earners representing some 15 farmers in the sample earned relatively good incomes ranging between \$41 and \$80 per week. Again, the survey data indicate the extent to which the tenant farmers fall mainly within the category of low income earners.

TABLE 4
CASH INCOME OF TENANT FARMERS PRIOR TO LAND-LEASE

Income Range	% of All Farmers Reporting Cash Income
\$10 or less weekly	44
Between \$11 and \$20 weekly	30
Between \$21 and \$30 weekly	10
Between \$31 and \$40 weekly	8
Between \$41 and \$50 weekly	4
Between \$51 and \$60 weekly	3
\$60 and more weekly	1

These mainly economic data give an incomplete picture of the social level and needs of the tenant farmers insofar as it is necessary to get some idea of their family and household patterns to fully grasp their social situation. Of special importance here is the number of both adults and children dependent fully or partly on the resources and incomes of these tenant farmers and the nature of household or family pattern around which the tenant farmer's life is structured.

As is evident from Table 5 roughly 50 per cent of the tenant farmers have families with more than 3 children dependent on them. On the other hand, only 35 per cent of the farmers have relatively small families with children ranging in numbers between 1 and 3 and another 16 per cent have no children dependent on them. Among those with large families fully 26 per cent of the farmers have families with 6 or more children and the remaining 23 per cent have families with between 4 and 5 children. The average number of children dependent on each farmer is approximately 4 per farm. The large size of these families further qualifies both the low income and small acreages available to these farmers prior to Land-Lease and indicates more precisely the clear level of social and economic needs of the farmers selected in the scheme.

TABLE 5
FAMILY SIZE OF TENANT FARMERS' HOUSEHOLDS

(a) Number of Children	% of All Tenant Farmers
None	16
1-3 Children	35
4-5 Children	23
6 and more Children	26
(B) Number of Adult Dependents	% of All Farmers
None	31
1 Adult	46
2 Adults	11
3-5 Adults	9
6 and more Adults	3

In addition to the 4 children per family, the tenant farmers are responsible on average for 1.5 adult dependents each, which means that these farmers support fully or partially 5.5 persons per tenant farmer. This figure is somewhat higher than the range of 4.3 to 5.1 dependents per farmer found in a recent survey of small farmers in Northern Clarendon. Given the preponderance of children among the household dependents, particularly since the majority of the children are juveniles of less than 14 years, very little adult family labour is available and very little supplementary family income from other household members. These factors further underscore the level of poverty within the tenant farmers participating in the scheme.

Although the survey data point very clearly to a typical small farming character or profile of the overwhelming majority of Land-Lease participants, this view must be qualified by placing them within the context and structure of rural Jamaica and its class and status pattern. The small farming community in Jamaica is by no means homogeneous. The more well-to-do small farmers or "middle peasants" own approximately between 5 and 25 acres of land, employ labour regularly, do not work as farm labourers and enjoy a moderate standard of living. Below them in status are the very small land owners or "small peasants" owning less than 5 acres who hire labour only occasionally, have to supplement their meagre incomes by wage labour on estates, big farms and government projects and have a low standard of living. At the bottom of the social ladder are the landless wage labourers or "displaced peasants" mainly semi-employed and unemployed who represent the poorest and most down-trodden of the rural population. They periodically and sporadically work for both "middle peasants" and "small peasants" as agricultural labour, in addition to other casual jobs available especially on government projects as unskilled manual labourers. They constitute the most illiterate and socially backward layer of the farming community.

Project Land-Lease tenant farmer recruits came mainly from the category of "small peasants" with a smaller number coming from the "displaced peasants" category. Although roughly 51 per cent of the Land-Lease farmers were landless at the time of recruitment into the scheme not all these farmers fall fully in the "displaced peasant" category as some 21 per cent of these landless tenant farmers were independent "small peasant" farmers who had recently lost their tenure of land for various reasons. But for Land-Lease they would most likely have experienced downward mobility into the "displaced peasant" category in the long run. Eight per cent of the Land-Lease tenant farmers were "middle peasants", 53 per cent "small peasants" and 20 per cent "displaced peasants". By implication one effect of the scheme has been both to rescue some small farmers from downward mobility into the "displaced peasants" category and provide upward mobility for the "displaced peasants" into the "small peasants" category.

The impact of the pattern of upward status mobility will be clearer when we examine the responses of the tenant farmers to the scheme. These status factors are important in assessing the educational, social and household pattern of the Land-Lease tenants as in spite of their poverty relative to urban income levels they represent in the main respectable "small peasant" farmers in the context of rural Jamaican communities. As is evident from Table 6, almost 40 per cent of these tenant farmers were educated to a level of at least fourth standard in the primary school system. Most of these more educated and literate tenant farmers were found to be extremely articulate, informed and generally intelligent. Twenty-four per cent of the farmers were completely illiterate and had no formal education, while the remaining 38 per cent were generally semi-literate having had only modest exposure to formal education at the primary level.

TABLE 6
EDUCATIONAL LEVEL OF TENANT FARMERS

Educational Level	% of All Tenant Farmers
No Formal Education	24
Less than 4th Standard (Primary)	38
4th or 5th Standard (Primary)	21
6th Standard	16
Post-Primary	1

The household profiles of the tenant farmers represent a pattern of rural respectability with 47 per cent of them being legally married and living with spouses and another 21 per cent in stable common-law relationships and also living with spouses.

Only 11 per cent are single and live alone and another 10 per cent single and living with relatives. The family and household pattern is therefore one of stable nuclear families with large numbers of young children typical of respectable rural small farmers. Although most of the children are very young, the tenant farmers reported that in approximately 25 per cent of their households there were older juveniles who had a primary interest in themselves becoming small farmers. This represents almost 70 per cent of the households with juveniles older than 15 years. This would suggest that these tenant farmers represent the typical households from which the future of small farming is likely to depend to stem the flow of rural to urban migration.

As a further index of "community respectability", 57 per cent of the tenant farmers owned their own houses. Twenty-five per cent of them were month-to-month tenants and another 12 per cent lived on family premises. Partly because of their relatively respectable local community status, a significantly large number of Land-Lease tenant farmers are members of important local branch organizations such as the J.A.S. and political party groupings, as well as being regular church attenders. Membership in the J.A.S. was reported at a relatively high 48 per cent of the tenant farmers which compares favourably with the 28 per cent level reported in a recent study of small farmers in the highly organised North Clarendon small farming area. Fifty-two per cent report membership in a local party organization which is almost 30 per cent higher than the level reported in earlier surveys of rural communities. It could be inferred that partisan political recruitment may have contributed

to this high level of party membership. It is instructive in this regard, however, that most of the tenant farmers heard about the local Land-Lease project through the local Land-Lease officers, posters and friends rather than through the local M.P., Councillor or party organization. Less than 10% of the tenant farmers interviewed heard about the local Land-Lease project through party political channels.

The age distribution of the Land-Lease tenant farmers reflects a younger profile than that characterising the Jamaican small farming community as a whole. The age distribution presented in Table 7 indicates that approximately one-third of the farmers are less than 40 years old and as much as 61 per cent are less than 50 years old. For purpose of comparison the age distribution of small farmers in Northern Clarendon is set out in this table.

It will be noted that the age structure of Land-Lease tenant farmers is significantly younger.

TABLE 7
AGE STRUCTURE OF TENANT FARMERS

(1) Age Ranges	% of All Tenant Farmers	
Less than 30 years		9
31 to 39 years		26
40 to 49 years		28
50 to 59 years		23
60 to 69 years		11
70 to 79 years		3
(2)	% of All Land-Lease Farmers	% of all Northern Clarendon Small Farmers
More than 50 years	37	55
Less than 40 years	35	20

Finally, Project Land-Lease attempted to incorporate both sexes into the scheme. The sample contains 16 per cent female tenant farmers and 84 per cent male farmers.

PART THREE—FEEDBACK ON THE OPERATIONS OF THE SCHEME

In assessing the responses of the tenant farmers to the operations and functioning of Project Land-Lease (Phase I), it is important to bear in mind that although the organisation of the scheme is standardised, the various farms are at differing levels of both land development and land utilisation as some have been in operation since 1973, others have more recently been put into production, and still others recently leased have yet to produce any crop. This means that the sample of farmers represents tenants some of whom have reaped several crops, others who have reaped only one crop and some tenant farmers who have not yet produced any crop. Forty per cent of the sample have had less than 6 months' tenancy, another 34 per cent between 6 and 12 months and the remaining 20 per cent between 1 year and 15 months.

This means the tenant reactions to the working of the project will reflect a wide variety of perspectives.

TABLE 8

Crops	% of All Farmers Growing Crops
Yams, Cocoa, Dashine, Cassava, etc.	68
Irish, Sweet Potatoes	50
Peas, Beans	42
Vegetables	23
Corn	19
Melon, Pumpkin, Pineapple	21
Pawpaw, Pear, Pimento, Chocolate, Coconut	5
Banana, Cane, Plantain	22

Table 8 sets out the range of crops grown by the tenant farmers in order to give some indication of the types of growing, reaping and labour problems that they are likely to face. Roots and tubers are the most popular crops followed by legumes and vegetables. Traditional export crops such as banana and sugar cane were found only on lands in cultivation prior to the Land-Lease take-over.

Sixty-two per cent of the farmers articulated complaints about the operations of the Land-Lease scheme. It will be observed from Table 9 that the most frequently articulated complaint about the scheme was the shortage of cash to meet some land preparation expenditures not financed by Land-Lease, and to hire labour. When the farmers were asked to identify additional aid they needed which Land-Lease was not providing, 54 per cent of them pointed to the need for cash for these purposes. Many farmers claim to have spent various sums of money in preparing the land and that these expenditures were quite burdensome. Forty per cent of the farmers claim to have spent less than \$20, 25 per cent between \$20 and \$100, and 10 per cent more than \$100. Only a remaining 25 per cent had no expenses and these were mainly farmers who had very recently been settled.

TABLE 9
TENANT FARMERS' COMPLAINTS RE LAND-LEASE

Complaints	% of all Farmers with Complaints
Shortage of cash	35
Water supply and internal roads	12
Inadequacy of land	11
Low A.M.C. prices	10
Absence of buildings on farm	7
Burdensome terms of credit repayment	8
Administrative delays and failures	11

The major contributor to these expenses is of course the hireage of labour. Although all the farmers claim to contribute their own labour in both growing and reaping the crops, there is a considerable incidence of hired labour. As much as 67 per cent of the tenant farmers have hired labour occasionally. The following appear to be the main reasons for the high incidence of hired labour:

- (i) farmers working other plots of land in addition to the Land-Lease allotment;
- (ii) the low availability of adult family labour;
- (iii) the relatively low level of exchange labour or 'day for day' labour arrangements on the farms;
- (iv) the age of some of the tenant farmers;
- (v) the poor quality of some of the land thereby requiring quite extensive preparation for cropping;
- (vi) hireage of labour for status purposes.

Given the small acreages allotted, most of which fall between one-third of an acre and 2 acres and the large number of tenants on most farms, co-operative labour exchange is obviously the most optimal solution to the cash-labour problem. Given the household pattern identified earlier it is not surprising that only 40 per cent of the tenant farmers utilise some family labour. "Day for day" exchange labour is used by only 25 per cent of the farmers and only for very limited purposes. An extension of the "co-operative" principle of exchange labour will be resisted by the individualistic and competitive attitudes of most of the tenant farmers. It will require the growth of some form of community or associational groups on the farms to stimulate, co-ordinate and mobilise farmers in a more co-operative direction. The leadership potential for such an organization exists on most farms and it could perhaps be most effectively launched within the J.A.S. given the relatively high membership in that organisation.

The second most frequently voiced complaint concerned the absence of basic infra-structure such as water supplies, adequate drainage and internal roadways on the farms. While water supplies in many cases require large-scale capital expenditures which may not be feasible given the short-term

lease arrangements and not economic without reference to overall irrigation development in the parish or region, much could be done on a small-scale self-help basis to improve the infra-structure on the farms. With a small amount of capital assistance from Project Land-Lease, volunteer labour on the farms could construct a variety of water tanks, simple roadways and drainage canals. This is unlikely to occur given the short-term characters of the lease which provides no incentive to invest labour in developing the farm infra-structure. Even with long-term leases, however, the labour mobilisation would require a farm organization of the type mentioned earlier to get started and ensure continuity of effort.

The third most frequently mentioned complaint concerns the inadequacy of the land allotted to the farmers. When asked specifically about the adequacy of land provided, 74 per cent of the tenant farmers indicated a desire for a larger allotment. Obviously, the scheme labours under the problem of insufficient land to distribute to the heavily over-subscribed demands for land from small farmers in all areas. This means that the larger the allocations, the less land there is to distribute.

Not only are the allotments very small as can be seen from Table 10, but many farmers complain that significant portions of the land distributed are not arable, which further limits the income yield and productivity from the individuals' efforts. Some thought needs to be given to establishing a minimum size allotment even within the framework of Land-Lease I, as the majority of the present allocations are insufficient to provide adequately for the income and subsistence needs of the tenant farmers and their mainly large families.

TABLE 10
DISTRIBUTION OF ACREAGES TO TENANT FARMERS

Acreage	% of All Tenant Farmers
Less than 1 acre	16
1 to less than 2 acres	45
2 to less than 3 acres	24
3 to less than 4 acres	8
4 to less than 5 acres	2
5 acres and more	4

Other complaints occurring with significant frequency are the prices paid for crops by the A.M.C., the absence of buildings and sheds on the farms, the onerous character of the credit terms of repayment and administrative problems such as delays in supplying weed killers, planting materials and fertilizers, inadequate protection from praedial larceny and delays in compensating farmers for damaged crops. Many tenant farmers are understandably bitter about the gap between A.M.C. prices and prevailing wholesale market prices for their produce and some have developed devious means to avoid having to sell most of the crops to the A.M.C. This is especially the case since most of them carry a very heavy burden of credit for land preparation costs, seeds and plants, and fertilizers supplied to them. This means that every extra dollar earned means quite a lot. Given the high risk involved in growing many of these crops (mainly because of the absence of irrigation water) and the low cash income of returns that rarely exceeds \$200 net income per acre, the heavy terms of credit repayment may be posing a disincentive for productivity.

More thought needs to be given to the credit arrangements as too many farmers have to first reap a substantial portion of their crop before beginning to earn cash income, with the result that the more devious find ways of avoiding A.M.C. sales.

There should first of all be an upper limit on the proportion of any crop sale that the tenant farmer has to repay to Land-Lease unless he or she wishes to exceed this limit. This would mean that the repayment period would be extended and that the farmers' problem of acute shortage of cash would be reduced in the early stages of reaping. This upper limit should be no more than 50 per cent of the value of the produce. More incentives need to be provided for productivity by sub-

sidising the more efficient farmers. Farmers who exceed a certain tonnage *yield* ^{per acre} (taking into account the quality and topography of the land and the crops grown *on the various farms*) should have their fertilizer and plant material costs subsidised by the government to the extent of a 40 or 50 per cent reduction in the prices of these factors of production.

There is a critical need for temporary sheds and other such buildings on the farm to provide a meeting place for farmers, protection and shelter from the weather and storage for crops reaped for marketing. Here, both planning initiative and volunteer labour mobilisation must come from the farmers although the Land Officers could attempt to sensitise the farmers to the need for self-help in tackling some of these problems. Here, as in the case of farm infra-structure, there is crippling dependence on government to provide just about every facility without the community grasping the opportunity to utilise their own resources in a co-operative way. This is again another area of group activity that cries out for some form of community organisation among the farmers.

References to administrative problems tended to be confined to certain farms and areas where the Land Officers seem to be over-extended. The complaints were therefore not reflecting any aspect of the Land-Lease system, but rather some personnel failures within it. This leads naturally to a discussion of the role performances of the Land-Lease officers as viewed by the tenant farmers.

In the course of travelling from farm to farm and interviewing tenant farmers we could not have avoided observing the way in which the Land-Lease officers performed their tasks and the character of the relationship between these officers and the farmers. The almost missionary zeal and dedication with which many of these officers performed and the extraordinarily close relationships and empathy between most of the officers and the tenant farmers were quite surprising to observe. We had the feeling that these officers both identified with the farming communities they served and felt a sense of managerial responsibility for the success or failure of each project farm. What we observed is fully reflected in the attitudes expressed by the tenant farmers towards the Land-Lease officers.

Seventy per cent of the tenant farmers expressed a positive view of the Land Officers who had administrative responsibility on the farms where they had leased land. Table 11 gives a breakdown of the main reasons advanced in support of this view. The major reason given was that the officers were very co-operative and responsive to their expressed needs. A second major reason was the tenant farmers' satisfaction with the technical aid rendered them by the Land Officers.

TABLE 11
TENANT FARMERS' ATTITUDES TO LAND OFFICERS

Negative Attitudes (30%)	% of Tenant Farmers with Negative Attitudes
Negative (Not Responsive)	32
Negative (Not Available)	19
Negative (No Technical Help)	29
Negative (Bad Administrators)	20
Positive Attitudes (70%)	% of Tenant Farmers with Positive Attitudes
Positive (Responsive)	48
Positive (Available)	9
Positive (Technical Help)	26
Positive (Good Administrators)	1
Positive (Unspecified)	16

Among the remaining 30 per cent of the tenant farmers who evaluate the Land Officers negatively, it is significant that as in the case of the positive evaluations responsiveness and technical assistance are the main bases and criteria applied in the judgments made.

In probing the matter further we attempted to focus specifically on the question of technical assistance, since it is part of the objective of the scheme to achieve a broad diffusion of technical expertise among the tenant farmers.

Only a minority of 35 per cent of the tenant farmers expressed the view that they learnt anything about farming since their involvement in Project Land-Lease. It is instructive to note, however, that they fall mainly in the group of tenants who have been in the scheme for some time. This would suggest that most of the others have not really had sufficient exposure to the scheme to learn much in the way of technical knowledge. Twenty-eight per cent of the farmers claimed to have learnt a lot about planting methods and techniques and an additional 7 per cent about fertilizer application and use.

BENEFITS FROM PROJECT LAND-LEASE

In attempting to assess the benefits derived by the tenant farmers from Project Land-Lease, we focussed mainly on the attitudes and perceived benefits of the tenant farmers rather than on an objective measurement of benefits for a number of reasons. Firstly, detailed accounts of the farmers' debts are kept by the Land-Lease office, and the individual farmers keep records of their transactions. They have only a very vague idea of how much they earn from sales after credit costs and other expenses have been paid for over any reasonably long period such as the last crop or the last calendar year.

Secondly, because the farms are at different stages of land use and development many farmers in the sample have not yet earned any cash income from Land-Lease. This applied to well over a half of the sample. Even among those that earned some cash income, not all crops planted have been reaped in some cases and the period to which the income data provided actually relate varies considerably from farm to farm and between individual farmers on the same farm. Both factors imply that such data on income as have been gathered in the survey are very difficult to interpret to assess just how much better off the farmers are as a consequence of their involvement in Project Land-Lease.

Further, some of the benefits of Land-lease relate to both subsistence household consumption of crops produced by the scheme as well as cash income and data on the former is not reflected in the data gathered on cash income. Finally, the real test of tenant farmers' responses to the scheme lies less in actual objective income changes in the short run and more in their subjective evaluation of the opportunity it provides for improvement and whether they feel that they are better off than before.

For what they are worth cash income data are presented in Table 12 on the gross sales received for produce marketed over the last crop. By last crop, we mean the last continuous period of reaping whatever crop or crops the farmer produces and for obvious reasons it covers varying periods depending on the crops involved. In any event, data are useful only in giving some idea of the cash turnover for the individual farmer from which credit repayments are deducted. Only 194 of the 420 farmers were in a position to give this type of information.

The per capita or average gross cash earnings for the tenant farmers who were able to provide this information was \$92 for the crop preceding the interviewing in July 1974.

TABLE 12
GROSS EARNINGS OF TENANT FARMERS FOR LAST CROP

Gross Sales at Last Crop	% of Tenant Farmers who had Sales (194 Farmers)
Less than \$25	38
\$26 to \$50	23
\$51 to \$75	1
\$76 to \$100	11
\$101 to \$125	1
\$126 to \$150	4
\$151 to \$175	2
\$176 to \$200	10
\$200 and over	10

More importantly, we attempted to assess the tenant farmers' perception of benefits from the scheme. Table 13 indicates that 51 per cent of the tenant farmers interviewed felt that they were better off economically because of involvement in Project Land-Lease. Thirteen per cent thought nothing had changed and a somewhat larger 36 per cent felt that they were actually worse off. Some probing was done to more precisely identify some of the factors influencing the negative evaluations of the scheme on the personal welfare of the tenant farmers. We find interestingly that the highest level of negative evaluations occurred among the more educated and literate tenant farmers with higher aspirations, higher levels of pre-Land-Lease incomes and a higher proportion of land-owning. We found, for example, that among farmers who had no formal education 60 per cent felt that they were better off as a consequence of Project Land-Lease and 30 per cent thought they were worse off. Among the farmers who had been educated to at least sixth standard only 39 per cent thought they were better off and as many as 45 per cent thought they were worse off.

TABLE 13
TENANT FARMERS' VIEW OF RELATIVE IMPROVEMENT FROM LAND-LEASE

View of Relative Improvement	% of Tenant Farmers
Better off	51
Conditions same	13
Worse off	36

In spite of the obvious impact of the Land-Lease project in stimulating domestic agricultural output, a significant minority of the tenant farmers have yet to perceive any tangible benefits accruing to them. To some extent those negative attitudes relate to the fact that the rapidly accelerating rate of leasing new areas of land and registering new tenant farmers has often obscured the gestation period required to properly settle farmers and generate profits from growing and reaping crops. Many farmers have had to wait much longer than they expected to reap tangible benefits from the scheme and very often the hazards of poor weather and drought have brought to nought months of back-breaking labour on the land.

It seems also that many tenant farmers were not fully aware of the detailed conditions and terms surrounding the lease and many are a little disappointed to find unexpected difficult conditions in many areas especially where the land has been of uneven quality.

These negative evaluations of the scheme obviously qualify its important achievements in terms of productivity but against this must be weighted the majority of farmers who are satisfied that they are better off. Given the rate at which the scheme has accelerated especially in 1974, the organizational problems that must be involved in maintaining such a momentum of growth, the large number of farmers in the sample (and on the list of settled and registered farmers) who have not yet earned any cash incomes from the scheme and the cost-of-living increases over the last year, the 51% majority of positive evaluations of personal economic improvement from the scheme is actually a good record of achievement.

The tenant farmers were further asked to indicate the precise nature of the benefits received from their participation in Project Land-Lease. This was done because it was not self-evident that income benefits were necessarily the only benefits, especially given the impact of the scheme in accelerating upward social mobility. Table 14 sets out the farmers' response to this question. Fifty-three per cent of the tenant farmers were able to identify specific benefits derived from the Land-Lease project including both material and non-material benefits. Contrary to what most persons would expect, the most frequently cited benefit from Land-Lease is the sense of dignity and independence that comes from own-account farming. This response is clearly related to and reflecting the impact of the scheme in rescuing the downwardly mobile "small peasant" about to join the ranks of the "displaced peasants" allotted land in the scheme.

The Jamaican small farmer does not, like the urban social strata, relate primarily to material rewards although they are obviously quite important to him. The dignity and sense of independence that comes from working a piece of land that he controls regardless of whether he actually owns it is a much cherished value that no agricultural planning can ignore without grave risks of failure.

Because his style and rhythm of life are tied to the social and psychic values derived from working the land, he is able to survive the vagaries of price inflations and commodity shortage better than any other class in the society provided he has access to **land** and **working capital**. It is for these reasons that he constitutes the greatest source of social and political stability in the society.

Next in importance is the cash income generated by Project Land-Lease followed by the subsistence value it provides in feeding the farmers' families and its effect in reducing unemployment and under-employment. Because rural levels of cash income are so low, in spite of concern over the low prices paid by A.M.C., the cash generated through Project Land-Lease has been important in easing the strain caused by the rapidly increasing cost of living. Equally important and in some areas even more important is the ability of the farmers to feed their big families with the vegetables, pulses, and legumes grown on the land-lease farms.

TABLE 14

Benefits	% of Tenant Farmers Perceiving Benefits
Increased employment	15
Increased cash income	22
Increased availability of food for family	16
Sense of dignity from land tenure	28
Knowledge about farming	13

Sixty-four per cent of the tenant farmers expressed the view that the Land-Lease project had solid support from the people in their local communities although in many cases popular reactions were initially sceptical and suspicious before the scheme got moving. Fifty-eight per cent expressed the view that the scheme had important positive effects in the envioning communities around the farms especially in the areas of local food production and supply, employment and easing the pressures from the demand for land. Support for the scheme is by no means unanimous and here we need to look more carefully into the values and aspirations of the small farmers.

FARMERS' ASPIRATIONS AND VALUES

Any assessment of the relative success of Phase I of Project Land-Lease must address itself to the aspirations of the tenant farmers as it is against this background that one has to evaluate the responses to the project and ideas for change in the subsequent phases in the scheme. Related to this area of concern are the following aspirations and values of the small peasant farmer:

- (1) The extent of the desire for land.
- (2) Their level of satisfaction with progress in life.
- (3) The attitudes towards leasehold.
- (4) Their aspirations and main ambitions.
- (5) Their view of what are the priority needs of the farming community.
- (6) Their attitudes towards policy changes in agriculture such as co-operative organization of production to which the present PNP government is committed.

The tenant farmers are evenly divided between those who are quite satisfied with their progress in life so far based largely on their limited aspirations and those who feel quite dissatisfied about their progress. The former make up 50 per cent of the sample and the latter 48 per cent. As is evident from Table 15, while the illiterate small farmers tend to be mainly satisfied with their progress in life, the more literate farmers are much less satisfied. The substantial level of dissatisfaction with their achievements in life points to the desire among many of the small farmers for a better life and a greater fulfilment of the ambitions they desire to realise.

In attempting to explore these aspirations and ambitions further, the tenant farmers were asked to indicate the main ambitions they wished to achieve over the next ten to fifteen years. The responses delineated in Table 16 present an interesting and revealing profile of aspirations.

TABLE 15
SATISFACTION OF TENANT FARMERS WITH PROGRESS IN LIFE

Satisfaction with Progress in Life		Farmers at Varying Educational Levels	
Satisfied	(66%)	Dissatisfied	(34%)
"	(55%)	"	(45%)
"	(33%)	"	(67%)
"	(44%)	"	(56%)
		No Education	
		Less than 4th Standard (Primary)	
		4th to 5th Standard (Primary)	
		6th Standard & Post-Primary	

The majority of the farmers have aspirations and ambitions related to agriculture. Thirty per cent of them wish merely to continue farming, while another 20 per cent desire to own land to ensure their future in farming. Although participating in the Land-Lease scheme, this 20 per cent of the tenant farmers aspire to land ownership as the optimal basis of land tenure.

The other main aspirations are the desire for housing and higher levels of cash income. Significant is the absence of many aspirations to migrate or seek a livelihood outside of farming. Clearly, the Land-Lease tenants represented a group of farmers dedicated to farming as a way of life while desiring a better standard and quality of life for their efforts. Of major importance here is the desire for suitable farm housing. When asked specifically about housing needs, 63 per cent of the tenant farmers expressed the desire to participate in a farm housing project because of the inadequacy of their present housing accommodation and the size of their families.

TABLE 16
ASPIRATIONS OF TENANT FARMERS

Aspirations	% of Tenant Farmers
Owning house	18
Increased cash income	14
Owning land	25
Continue farming	26
Starting small business	2
None	7

Housing is also a major symbol of social status in these rural communities and most small farmers aspire to own modern-looking concrete housing structures.

Although as many as 74 per cent of the tenant farmers expressed the desire for more land the quantity desired tended to be very modest. Of those who wanted additional land, 41 per cent desired 3 acres and less additional land and another 40 per cent wanted between 4 and 5 acres additional land. Only 10 per cent of the farmers wished to have 10 or more acres of additional land. Bearing in mind the fact that the average allotment is very small, it is clear that the farmers have a very limited view of how much land they can farm and a very modest horizon of expectations for additional farm income. Given the problems of labour supply and cost, working capital needs and the management problems entailed in farming land on the scale of say, 20 to 25 acre plots, it is not surprising that this scale of farming is realistically viewed by the small peasant farmer as lying beyond his capability. This is in spite of the fact that such a scale of farming is absolutely necessary if his standard of living and family income level are to be substantially improved.

Clearly the individual small farmer model has a limited scope for expanding the scale of farming. In this connection, we were constantly struck by the absence of any sense of business and financial management among the small farmers and their inability to keep records and account for the detailed transactions affecting the profitability of their farming efforts. In our view, only a more organised management structure with a better division of labour run along co-operative lines offers any

hope for massively expanding the scale of farming sufficiently to raise small farmers' incomes significantly.

The paradox of the situation is that most tenant farmers were found to be hostile to co-operative farming. As many as 77 per cent of the tenant farmers expressed hostility to co-operative farming which was explained to them carefully in the course of the interviews. The main reasons advanced against co-operative farming were the unreliability of other farmers, the desire for independence coupled with a reluctance to work with others and a low level of trust of other farmers, in that order of importance. The responses of the minority favouring co-operative farming were instructive.

The main reasons advanced for a pro-co-operative position was not social solidarity or any belief in community togetherness, but the possibility of earning more income and the effect in improving the supply of labour. Clearly, any propaganda work to stimulate interest in co-op farming must stress pragmatic gains over and above ideological or sentimental pleas for solidarity. In any event, the preponderance of hostile attitudes to co-op farming means that massive organizational, educational and promotional work have to be done before co-op farming can become a reality among small peasant farmers such as those involved in Project Land-Lease.

A further irony of the situation of the tenant farmers is that slightly more than 50 per cent of them feel that the primary need of small farmers like themselves is the need to increase cash income although the present model of independent and individual farming has limited possibilities in this direction. The second most important need identified by the farmers is the need for more land which 20 per cent of them saw as the most pressing farm issue at this time. Fourteen per cent of the farmers saw water supplies as the most important need. The high interest in land distribution reverses the trend found in earlier surveys of farmers which pointed to a greater priority emphasis on water and roads. It further underscores the inadequacy of the Land-Lease allotments and the high level of land hunger existing in rural Jamaica.

An important index of the success of the Land-Lease project is the extent to which most of the tenant farmers have come to accept the principle of leasehold as a basis of secure land tenure. While many still hold to freehold as the ideal form of land tenure, as many as 78 per cent of the tenant farmers expressed a preference for leasing land on a long-term basis if given a choice between that option and using scarce cash income to purchase land with the possibility of nothing left for working capital. Clearly, the demonstration effect of Project Land-Lease appears to have softened and weakened some of the biases favouring freehold over leasehold tenure of land among small farmers.

It should be noted, however, that the preference is for a longer lease than the five-year period provided in Phase I of Land-Lease.

Thirty per cent wish life-time leases, 15 per cent prefer leases between 21 and 100 years and 30 per cent prefer leases between 10 and 20 years.

CONCLUSION

The survey presented here has attempted to assess the social aspects of the first phase of the Government's Land-Lease project. The following areas of success are recorded:

- (1) The partial satisfaction of land hunger among small peasant farmers.
- (2) The upward mobility effect of land distribution.
- (3) The improvement in employment income and subsistence levels.
- (4) The positive role performance of the Land-Lease Officers.

The data presented pose a number of problem areas if the future and subsequent phases of the scheme are to be fully successful. They include:

- (1) The inadequacy of the acreages allotted.
- (2) The need for productivity incentives and an easing of the burden of credit repayments.
- (3) The need for more co-operative or 'day for day' labour as a substitute for hired labour and as a basis for self-help infra-structural development on the farm.
- (4) The limited potential for expanding the scope of independent small farmer production to raise income levels.

- (5) The need to raise cash incomes as dissatisfaction with the *scheme is likely to increase without this after the psychic satisfaction of initial land tenure has worn off.*
- (6) Substantial minority dissatisfaction with the tangible benefits accruing to the tenant farmers.
- (7) Large-scale opposition to co-operative farming which offers one model for improving the scale and income level of small farming.
- (8) The need for a grass-roots farm organization to assist in farm management, the mobilisation of co-operative labour and co-operative education.

We trust that these findings will be useful to those entrusted with the responsibility for planning the future of the project.

PART THREE--CLASS AND POWER RELATIONS

The short-term and therefore temporary nature of leasehold involved in Land-Lease I which represents the main thrust of the project so far, seriously limits the contribution of the scheme to increasing the economic power of the small peasantry. More significantly, the short-term tenure does not give the small peasant farmer that feeling of security of tenure and effective control of the land necessary to elicit maximum commitment to the objectives and goals of the project. To achieve a fuller impact on small peasant control of land, Land-Lease II and III need to be given priority emphasis over Land-Lease I.

The difficulty this poses is that it will involve expensive and large-scale land acquisition by Government from private owners on a scale that cannot be met adequately by available Government funds. It remains to be seen whether the recently announced decision by the Jamaican Government to acquire land at the taxable value rather than the market value and by leasing will accelerate the availability of land for Land-Lease II and III. Such a development would clearly be directed at increasing the economic power of the small peasantry at the expense of that of the big land owners and place the programme in the arena of class conflict. This has been avoided so far by the heavy emphasis on Land-Lease I, which relies on **voluntary leasing of land from private owners for periods of 5 to 10 years.**

A more fundamental aspect of power and class relations concerns the way in which the project is administered. Like all other government-administered projects it assumes the following:

1. Civil service technocrats should plan and administer without reference to any inputs coming from the client or target group whose welfare is being planned and administered, especially in cases such as this in which the client group has a low level of formal education.
2. The client group relates to the project as separate individuals who compete for resources and benefits rather than as an organised community or grouping which would clearly threaten the bureaucratic hegemony of the technocrats while ensuring maximum benefits for the clients.
3. The project is conceived and implemented as an enclave unrelated to other developments, interests, or sectors in the local community and with no community inputs in its planning or execution.
4. Economic objectives are narrowly conceived without reference to necessary social and political objectives that are necessary if agricultural development is to mean effective change in rural areas.

The character of the scheme has to be set against the history and pattern of agricultural schemes conceived and planned for small peasant farmers over the years by Civil Service technocrats. These include the following features:

1. The perception of these schemes by the small peasantry as being essentially products of the Ministry of Agriculture, with the result that no commitment is felt to programme objectives and resources provided are frequently channelled into other purposes.
2. A lack of both local community supports or local community involvement in planning and execution.

3. The treatment of the small farmer participants as individuals rather than as members of groups and communities with a potential for collective action, group initiative and influence.

The condition and relative powerlessness of the small peasantry is more than simply a question of inadequate land and capital. Over the years, and especially since the reformist thrust in agriculture in the post-World-War-2 period, the small peasantry has been an object rather than a participant in agricultural programmes and schemes. These victims of uneven development in the economy have survived through rugged individualism and familism which have limited their ability to function as an effective pressure group even at the local community level.

Starved of resources and lacking (through low formal education) a mastery of the culture and bureaucratic forms of the administrative middle class and the ascendant capitalist class, the small peasantry falls easy prey to benevolent paternalism from the state and the political parties. Paternalistic dependence on middle class administrative and political "patrons" has eroded over the years, its capacity as a class to generate effective self-help or collective group action directed towards solving local level problems.

The reaction to this condition of dependence is minimal compliance with bureaucratic rules while sabotaging and subverting programme objectives to serve privately defined priorities and outwitting technocrats with sheer cunning and shows of deference. Individual manipulation of state paternalism acts as a substitute for effective collective action as a class. If the small peasantry is to increase its productive capability it must develop a strong commitment and identity with the goals of agricultural development as reflected in such schemes as Project Land-Lease. This commitment can only come from small peasant involvement in the conception, planning and implementation of such schemes and the emergence of small peasant "leagues" or "unions" which speak collectively for small peasant interests, lobby on their behalf and limit individual dependence on political and bureaucratic paternalism.

In spite of the clear potential to move in this direction, Project Land-Lease has preserved the traditional pattern of small peasant political impotence and total subjugation to the hegemony of the Civil Service technocracy.

Many factors lie at the root of this tendency in this and other government schemes. Firstly, there is the arrogant middle class view of the inability of the semi-literate and illiterate small peasantry to make any meaningful positive contribution to such programme management and planning. Secondly, there is the total lack of any belief in democratic decision-making whereby persons affected should have a say in policies that affect them. This is reinforced by a firm commitment to authoritarian forms of decision-making that are rationalised on the grounds of the all-embracing expertise of the technocracy.

Thirdly, there is the fact that any effective organization of the small peasantry would weaken the control over the programme management by the technocrats in the same way that trade unionism has limited the power of capitalists and top management in unionised sectors of the economy. Fourthly, there is the acceptance by the small peasantry of this condition of relative powerlessness. And finally, there is the tendency towards individualism inherent in the small holding character and free-hold land tenure pattern among the small peasantry and their love/hate relationship with the administrative class based on their aspirations for middle class upward social mobility for their children.

What Project Land-Lease has managed to achieve is a closer involvement of the technocracy in the process of producing food on the farms than in any other scheme where the labour input is not simply based on a wage relationship with a state-owned farm. It has done this for reasons that are central to the philosophy of the project which in some respects represents a fundamental obstacle to some of the changes suggested above. These reasons which constitute part of the essential rationale for the project are as follows:

1. The need to maximise **state control** (through the bureaucracy) of land use and farm development, since small farmer control might lead to unplanned and unpredictable consequences.

2. The objective of assisting the small peasantry **to survive through state assistance rather than attempting to fundamentally change his relationship to the environment** (social, political and economic).
3. Effective management control of the project through credit control rather than group mobilisation of the small peasant communities.
4. The view of the small peasantry as a passive object rather than a critical ingredient in the process of change.

With these basic assumptions, the project even at second and third phases of its design will have no impact on the class and power relations as they affect the small peasantry. What is needed is some radically new thinking that sets about the following targets:

1. Establishing farm committees on each farm and area committees in each Land Authority area, that are democratically elected and that form the mechanism through which small peasant involvement in project planning and implementation can proceed.
2. Utilise farm leaders and committees both to mobilise peasant farmers in farm-wide projects (e.g. Tank construction) and to assist in routine administration.
3. Involve the leadership and committees in community action and projects so that the project becomes a social force in the local areas.
4. Establish certain "farm community" projects (e.g. literacy, skill training, building construction) to service local needs and to expand beyond farming in the course of developing stronger community roots for the farm-based organisations.
5. Experimentation with limited co-op ventures such as organised "exchange labour", credit unions, joint-selling for crops marketed outside of A.M.C. outlets, and joint ownership of tools and farm implements.

In other words, the objective must be to change the small peasant from an apathetic dependent on state paternalism and state capitalism, into an effective organised force using collective action to defend their interests and defining a new relationship with the environment that promotes rational co-operative action rather than passive individualism.

In a paradoxical way, the economic advancement of the small peasantry requires new forms of political organisation to enhance their political and decision-making power before any appreciable changes in their economic circumstances can be achieved. This political power can only be achieved at the expense of the bureaucratic class that now administers over the small peasantry as agents of state capitalism, and at the expense of the big land owners whose lands will have to be appropriated or acquired cheaply if abundant and good quality land is to pass to the small peasantry.

Project Land-Lease has obviously not moved in either of these two directions, but the concept of land development by leasehold has potentially revolutionary implications.

Taken to its logical conclusion, the concept could involve abolishing freehold; vesting all lands in the state, leasing lands to persons organised to produce; developing small peasant self-management as a parallel to worker participation in industry and as a means of reducing the top-heavy administrative load of the bureaucracy; providing incentives in such a national leasehold programme for joint-farming and collective farming ventures; utilising the bureaucracy for primarily technical (including accounting) as distinct from administrative tasks; and compensating the former land-owners through small lease-rental payments.

What Land-Lease has clearly done is to demonstrate the fallacy of the freehold system; convince farmers of the viability of long-term leasehold as an alternative; and provide a channel through which land can be made available to the small peasantry without incurring the high costs necessary for outright purchase on the "free market". To fully develop on this beginning, however, a more revolutionary view needs to be taken of the land tenure system in the country and a firm commitment pursued to pass abundant arable land on a long-term lease basis to "the tillers". This is not likely to be achieved unless the small peasantry are organised as a political force to impress these demands on the society.

Equally fundamental is the fact so clearly demonstrated in this study, that the small peasantry as presently organised have a very limited capacity to use large quantities of additional land. This will also require a fundamental transformation of the social character of small peasant farming, moving it away from isolated individualism towards joint-farming and collective farming. This will require basic changes in the attitudes of small peasant farmers which can only be achieved through intensive political organisation and mobilisation. Purely economic measures such as represented in the main thrust of Project Land-Lease thus far, cannot address these fundamental problems. The basis of this analysis is a very simple but nevertheless profound law of social behaviour. This is that oppressed classes such as the small peasantry can only be liberated from oppression by political struggle.

The basic inadequacy of Project Land-Lease is its failure to provide for the political as well as the economic advancement of the small peasantry as the two are inseparable.

CARL STONE

Chapter 10

BAUXITE AND NATIONAL DEVELOPMENT IN JAMAICA*

Recent developments in the bauxite industry in Jamaica bring very sharply into relief a number of questions surrounding the role that industry should play in overall national development. Undoubtedly the initiations of the Manley government in Jamaica in massively increasing revenue from bauxite, negotiating for the return of some of the bauxite lands, and developing government equity participation in the industry as well as plans for the establishment of a smelter, all signal the beginning of a new era in the role of the industry in the Jamaican economy. It is therefore important that the implications of these decisions as well as alternate courses of action in harnessing the resources and wealth accruing from the industry be thoroughly analysed in the light of the priority needs of the Jamaican society and economy at this time.

The experience of mineral-rich countries in using the wealth generated by these natural resources in promoting national development has been both unimpressive and disappointing. It is therefore important that we learn from the mistakes of countries such as Venezuela and Kuwait in ensuring that the mineral wealth of Jamaica both enhances long-term structural change in the economy as well as ministers to the economic and social upliftment of the most oppressed and disadvantaged strata in the society. In this context, the issues at stake are far more fundamental than the question of whether the Capital Development Fund should finance budgetary needs or investment projects. It involves the central question of the investment and development priorities in Jamaica having regard to the state of the economy, the potentialities for long-term growth in competing sectors of the economy, and strategies for change in the society that place more resources, welfare and power within the reach of masses to change their life situation of persistent poverty and powerlessness. This paper will attempt an examination of some of these issues with a view to critically reviewing the policy directions initiated by the Manley government in the use of the wealth generated by bauxite resources. This review will be set against such important background factors as the politics of the bauxite issue, the role of bauxite earnings in the past, and the impact of bauxite on competing economic sectors such as agriculture. The main theme to be developed in this policy review is the idea that the optimal use of bauxite wealth is as a source of funding for large-scale rural-agricultural development rather than as a means of financing capital needs in industry, commerce or services or the investment needs of either the mining or processing aspects of the bauxite industry.

The politics of the bauxite issue

The bauxite issue was initiated primarily by U.W.I. economists,¹ whose main point was that North American multinational corporations were managing to cheaply appropriate the wealth of Jamaica when the society had both the resources and capability to take over the mining of bauxite and expand the local industry to embrace the full processing of finished and semi-finished products manufactured from bauxite. This potentiality was envisioned as a critical variable in aspirations and designs for the rapid industrialisation of the Jamaican economy.

Inspired by economic nationalism, and antagonism to the MNC structure of corporate ownership of the industry, the issue was defined by its advocates in terms of the morality and economics of nationalising the industry. The attendant militant nationalist sentiments that sustained it in the late 1960s and early 1970s meant that the bauxite industry was seen not only in terms of its economic value but was invested with the symbol of neo-colonialism. It became a symbol of arrested decolonisation the removal of which was seen as necessarily involving national and governmental ownership and control. The desirability of national ownership was taken for granted by all 'true nationalists' according to this perspective, and the only debatable issues were questions of how fast and by what

* This paper was delivered at the UWI Symposium on "International aspects of the bauxite industry", May 17, 1975.

means. Although feelings on the matter were never very strong outside of the radical nationalist intelligentsia and a supporting hard core of radical 'grass roots' activists in the society, this nationalist position on the industry managed to generate a substantial public opinion support. In a national public opinion² survey conducted by the author in March 1972, immediately following the 1972 General Elections, it was found that close to fifty per cent of skilled labour, unskilled labour and small peasant farmers supported the nationalisation of the industry.

It is therefore not surprising that when the Manley government proceeded to act on the bauxite question encouraged by the developments in the international oil industry, the deteriorating island economy and the weakened political position of North American MNCs, national ownership in a somewhat milder form became a central part of the strategy. Rather than ownership by appropriation of assets, it is ownership on a partnership basis negotiated through equity participation financed by increased bauxite revenues. The fulfilment of emotional nationalist aspirations by these policy developments cannot be denied, nor should it be trivialised in a society that is still very colonial in its values and institutions and is painfully searching for symbols of decolonisation on which to anchor a firmer sense of national viability. However, the practical realities of material and economic costs and benefits have yet to be carefully analysed.

The role of past bauxite earnings

Although the revenue and income earned from bauxite in the past has been very small when compared with present income, it is nevertheless important to analyse the class and sectoral effects of past bauxite income to clarify some of the issues surrounding the future role of the industry. These effects can be classified in three areas. These include government revenue earned, direct income earned from the industry through services of employment, and indirect benefits through money circulation and foreign exchange effects.

In the past revenue earnings from bauxite simply added to other sources of revenue which financed the annual budget and were in no way specially set aside for specific purposes as proposed by the present government. It is instructive, however, to identify some of the expenditure priorities which have governed public expenditure in the past. These include a disproportionately heavy commitment to urban services and welfare; vast expenditures on urban social and physical infrastructure; the subsidy of affluent modern sectors such as tourism and manufacturing enterprises; financing a vast middle-class welfare system through an under-employed and personnel-inflated urban Civil Service; and providing programmes to ease urban unemployment while spending paltry sums on rural development generally, and agricultural development in particular. In other words, government spending has been dominated by urban pressure groups, lobbies and class interests while rural interests have received only token attention.

Direct income earned from bauxite has developed a small group of high wage earners who have joined the ranks of the middle income spenders with a very high propensity to consume imported products. They now form part of the top 20% of income earners who control approximately 60% of the national income and consequently dominate the commodity market in consumer goods by the sheer weight of their purchasing power. This pattern of income generation has by-passed the local communities in and around the bauxite areas in that a large proportion of these income earners are commuters who reside outside of these areas.

The most profound effects, however, are those relating to the more indirect impact on the pattern of economic development through foreign exchange reserves and money circulation. The income generated by bauxite in the building of expensive physical infra-structure to facilitate the mining and transportation of the bauxite created an illusion of growth and development that was in sharp contrast to the rural economic backwardness which it left untouched in some areas, and accelerated in others. More importantly, the foreign exchange generated from bauxite was utilised in financing consumer imports on a massive scale to satisfy the tastes of the critical top 20 per cent of income earners and in enabling the setting up of high-cost "screwdriver" assembly plants referred to euphemistically as manufacturing enterprises.

In effect, the impact of bauxite earnings and income was limited to *minority* sectors of the society and the benefits accrued to the more advantaged social strata as well as the more entrenched capitalist interests in commerce and manufacturing enterprises. Neither of these developments have had any positive effect on the quality of life and standard of living of the mass of the population or more precisely the poorest 80 per cent who earn 40 per cent of national income.

Bauxite and agriculture

The relationship between bauxite and agriculture was inevitably a competitive one. The extensive acquisition of agricultural land to facilitate bauxite mining had easily predictable consequences. These included the displacement and dislocation of farmers and their families; the alienation of good agricultural land; the acceleration of large concentrations of land holdings and a decline in small peasant holdings; the direction of infra-structural development such as roadways and water supplies to facilitate the bauxite industry without reference to or regard for the needs of local rural communities; and the uncontrolled pollution and deterioration of the quality of land without much concern for the affected envioning communities.

In a recent discussion of this issue a public servant¹ has made a very persuasive case for the payment of reparations to the Jamaican farming community by bauxite interests through the Capital Development Fund for the economic and social damages experienced over the years in the forcible removal of the small peasant from the land to accommodate bauxite mining.

In addition to the other factors which contributed to the weaknesses in the agricultural sector of the economy, bauxite development clearly added its fair share.

Domestic agriculture as distinct from export agriculture has to be seen as constituting in the main a subsistence sector in the Jamaican economy in so far as the material level of living of the related small farming communities is at a subsistence level with very little surplus or spending power being generated from production. The subsistence sector as distinct from the capitalist sector (which embraces commerce, financing, manufacturing, export agriculture as well as services such as tourism) has been undermined partly because of its inability to compete with the other sectors for labour, capital or land. Bauxite development merely accelerated this process but in so doing has brought very sharply into relief the uneven development in the Jamaican economy and the backwardness of the subsistence sector.

The major contradiction in this uneven development is the low marginal propensity of the capitalist sector to absorb labour in the face of the decline in the subsistence sector and the consequent high level of unemployment. Of equal importance is the fact that the quality of life for the mass of the population or the poorest 80 per cent depends primarily on the productivity of the subsistence sector since food constitutes the major item in their household budget. In addition, because of their low purchasing power much of the other consumer needs of the mass of the population are met by a petty-capitalist market organised around higglers, street vendors, itinerant vendors, corner shops, hustlers and dealers in illegal contraband and stolen goods. Some sections of the petty-capitalist market in commodities are, however, being eroded by the expansion of the capitalist sector and by unfair competition over scarce supplies. The overall implication is that the decline of the subsistence and petty-capitalist sectors and the growth of the capitalist sector which accompanied and was influenced by bauxite development have had a negative rather than a positive effect on mass welfare. It is the central theme of any meaningful strategy of economic development to correct this imbalance.

Alternative strategies in using bauxite funds

There seem to be four main areas in which the additional revenue now being earned from bauxite can be channelled with vastly divergent consequences for overall growth and development. These include investment in bauxite mining and processing; investment funding for the capitalist sector; financing the transformation of the subsistence sector; or funding non-productive recurrent or welfare expenditures. The relative priority claims of these respective areas and their contribution to national development will now be assessed.

The investment of substantial portions of bauxite earnings in the industry itself, especially in the processing areas of production seems to be an obvious priority. It satisfies simultaneously the desire to establish national ownership and control, however partial that might be, the economic and national status objectives attached to a more industrialised production capability, and the desire for a productive investment to generate future income. The nationalist politician, the profit-motivated businessman and the status-oriented technocrat/technician can all for different but convergent reasons support the rationale for this alternative. When we view this against the estimated one-hundred-year life span of the industry in Jamaica, the fact that future earnings from the investment can as easily be earned by future increases in revenue rates and at less cost, the implication of substituting local for foreign investment having regard to the dire shortage of capital in such areas as agriculture and low-income housing, and the unsatisfactory experience of joint ventures between MNCs and Third World governments, and the tactical imperative of keeping open the option of expropriating the assets in this foreign-owned industry at a future date when this becomes feasible, serious doubts can be raised about the desirability of this alternative. Indeed a case can seriously be made, in the light of these factors, in favour of a no-investment policy in the industry. Beyond this more extreme position it can be argued from an economic standpoint that any investments in the industry should be kept at a bare minimum to ensure maximum diversification of investment both as a precaution against risk and as a means of strengthening the resilience of the local economy against external pressures. Clearly, given the way in which the bauxite issue emerged and the tremendous emotional gratification invested in national ownership of the industry and its symbolism as a target of anti-neocolonialism, both the "no investment" and "minimal investment" policies are likely to be viewed by all nationalists as constituting heresy. This is all the more reason for seriously reassessing this point of view.

The second alternative use of these funds already envisioned (if not fully implemented) by the present government's policies involves the provision of a pool of investment capital to be drawn on by the capitalist sector of the Jamaican economy as a stimulus for economic growth and expansion. This in my view is as unsound an option as frittering away these resources through recurrent budgetary expenditures. The capitalist sector of the Jamaican economy, owned and controlled as it is by minority ethnic groups who control both its productive enterprises and financial institutions, already monopolises the supply of long-term credit in the local economy and can hardly be said to be starved of capital. It employs very little labour in relation to capital, it produces and supplies at very high costs due to excessive profits and mark-ups, North American type management cost, expenses and salaries, and poor labour relations practices, and produces and supplies largely to satisfy the consumer tastes and purchasing power of the top 20 per cent income earners in the society. The only sector of this class that is due any consideration for capital funding is that engaged in export enterprises but even here strict criteria of loan eligibility need to be applied.

The politics of bauxite, however, is of such that in order to win support from the capitalist sector for the new bauxite policies the present government literally used the promise of loan funds from bauxite earnings as the *quid pro quo* for capitalist sector support. Equally important is the fact that the fund will be administered either by persons from that class or by faithful servants who share their ideology, social perspective and view of investment priorities. Only a government relatively free from the veto power of the capitalist sector can free these resources for use in higher priorities as regards national development. The tragedy is that neither the PNP nor the JLP qualify for this task.

The meeting of pressing short-term recurrent expenditure needs as has been done by the present government is undesirable but understandable as a short-run device until the planning of alternate uses matures. The only real area of alarm is that some of these recurrent expenditures may represent permanent commitments such as public sector salaries for which other sources of funding are not likely to be found in a situation where non-bauxite sources of revenue are not likely to increase significantly. The central principle must be, however, that funding of recurrent expenditure to provide

public services should come from future earnings from invested *bauxite* funds rather than from bauxite revenue which depletes the availability of such future earnings and income.

The remaining area of competing claims for bauxite funding is the financing of a national programme for transforming the subsistence sector and broadening its productive capability to make it into a genuinely popularly controlled economic sector run along co-operative lines and producing the food, housing, craft products, tools, and other basic amenities and commodities for the mass of the population.

The subsistence agricultural and petty-capitalist distributive and craft productive areas of the economy are the only sectors of Jamaica's economic life where there is some measure of popular or mass ownership and control of the means of production. These sectors are ill-organised, low in productivity and efficiency, starved of capital, lacking in technical development and the use of non-labour power, fragmented, and in many respects exploited by the middle man in the capitalist sector. On the other hand, a re-organisation of these sectors could shift the emphasis in production from high-cost luxury goods and commodities for upper and middle income spenders to production for the mass of the population that absorbs most of the existing idle labour and idle land, modernises production methods and increases both national income and production levels.

Such a massive task could not be undertaken in the usual way by means of centralised planning by city-based bureaucrats. Drawing on the idea of development areas developed by the J.A.S.⁴ it would require the following initial and necessary steps:

1. The zoning of the rural areas into development regions.
2. The carrying out of feasibility studies on agricultural, industrial, agro-industrial and craft potential in each area.
3. The formation of a local **task force** in each region to mobilise people into co-operatives relating to agriculture, craft work, marketing, housing construction, tool-making, and other areas of production. Each region would be divided into zones each of which would be represented on the regional task force of local people. The task force would be serviced by a technical team but the former would have main responsibility for development projects.
4. The co-operatives would centre around nucleated settlements on all arable land in the region whether privately owned or government-owned. Some would produce for local co-op consumption (e.g. housing) while others (e.g. agriculture) would produce mainly for the national market. Some would draw on a permanent labour force representing membership in those co-ops while others would utilise both voluntary (idle time) labour of persons from various co-ops as well as non-co-op labour. All co-ops would be affiliated in each region to second-level co-ops to handle region-wide financial and overall administrative functions. Co-ops would be managed by a managing committee elected by members but assisted by technical and professional personnel.
5. The state would have the power at its discretion to requisition all land above a certain acreage in size for co-op use, requiring the co-ops to pay only rental for its indefinite use.
6. The co-ops would receive initial working and long-term capital from bauxite funds but would be expected to be self-financing within a specified period.
7. Bauxite funds would additionally be spent on developing critical infra-structure needs such as water supplies and irrigation, internal roadways, buildings, and plants to be done mainly on the basis of self-help labour to be trained in the process.

Only a development programme of this size and scope and involving this type of grass-roots leadership in self-management of integrated and adequately financed productive and service areas, built around full manpower utilisation, careful planning and with concentrated technical training and inputs, has any potential for basically changing the income level, quality of life and level of production and consumption within the mass of the population. Even if it were to be executed on a phased basis beginning with a few regions and incorporating others at a later date, the initial cost

would be enormous and only bauxite funds can provide the level of financing from local sources to get such a programme off the ground.

Current programmes in agricultural development⁵ are scratching the surface of the real problems and wasting funds because the technical, infra-structural, and organisational inputs necessary for success are wanting.

The availability of substantial funds from the bauxite industry offers an opportunity to take up the challenge, but the government's response so far has been to deal with short-term pressures from urban interests such as the urban unemployed and to plan for their channelling in the long run towards bauxite investment *per se* and the financing of the capitalist sector of the economy. Both these options carry with them the perpetuation of benefits accruing to minority interests and strata in the society and an accentuation of the Jamaican pattern of rapid accumulation by a minority amidst the continuing poverty and hopelessness of the majority.

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NOTES

1. See Norman Girvan, **Foreign Capital and Economic Development**, ISER, Mona, UWI, 1971.
2. See Carl Stone, **Electoral Behaviour and Public Opinion in Jamaica**, ISER, Mona, UWI, 1973.
3. A proposal along this line calling for a rural development corporation was made by Cedric McCulloch at a recent JAS conference. See also a report of his statement on a plan for rural development in "Planning for the total development of our resources" in **The Farmer**, Oct.-Nov., 1972. His approach, however, proposes action through existing rural groups all of which are much too specialised in interests or partisan in perspective to effectively promote radical change, and relies heavily on bureaucratic initiatives as distinct from popular mobilisation as the critical variable in transformation.
4. See "Planning for rural development in Jamaica", in **The Farmer**, July-August, 1972.
5. For a discussion of these policies see Carl Stone, "A sociological survey of tenant farmers on project land lease", (mimeo), and "Political aspects of postwar agricultural policies in Jamaica", **Social and Economic Studies**, June 1974.

Chapter 11

PRICES AND MARK-UPS

In an economy where inflation levels have recently risen as high as 30% per annum, the role of the merchant class in "jacking up" prices to earn super profits at the expense of spreading even more poverty among the poor has come under some amount of examination. The merchant class is of course the largest sector of the capitalists in the society and have a traditional place of power and influence that goes back to the slavery period. They belong mainly to the ethnic minorities of Jews, Lebanese, Chinese Indians, Whites and racially mixed groupings that own and control the commanding heights of the economy and see themselves as an enclave apart from the rest of the Jamaican community. To many Jamaicans within the black majority the merchant class symbolises the essence of 'rip-off' exploitation and unjust accumulation of wealth at the expense of the poor. This is understandable in a mainly market economy where incomes are very low and where the affluence of the merchant sharply contrasts with the widespread poverty of the majority. A discussion of the role of the merchant class in the economy must, however, rest on more than accumulated class hostility and racial feeling. There is need to separate these emotional issues from the hard facts of profit margins, mark-ups, and price levels to enable a reasonably scientific assessment to be made on the role of the merchant class in adding to the miseries of the poor.

Unfortunately, there are no adequate published or unpublished data to inform such an enquiry. This is in spite of the fact that the government of the day has embarked on a policy of price controls which it is in the process of expanding as part of the recently announced anti-inflation package. This is too sensitive and crucial an area of public policy to permit public ignorance of the facts and a vacuum of information by which the citizen can assess the value and worth of the corrective measures being applied by the government.

We think the time has come to evaluate as far as we can the effects of what the government has been doing, the scale and size of the problem, and the measures that are going to be necessary if these problems are to be overcome. We do not have all the facts. Indeed, what facts we have are woefully inadequate. Moreover, we had to use unorthodox means to obtain these very inadequate facts for the simple reason that this information is being treated as confidential by the government bureaucracy. We totally reject the view that information that touches on a matter that is so vital to the mass of the population can justifiably be defined as beyond the reach of public knowledge and discussion. We are therefore presenting some of this information in defiance of this reactionary bureaucratic line by the government technocrats. In view of the inadequacy of the data, the most we can do is to raise some fundamental questions about the nature of the problem of prices and mark-ups and the policy options faced by the government and the society.

Below are three Tables which set out the percentage mark-ups on a sample of uncontrolled imported commodities, uncontrolled locally manufactured commodities, and a select group of items which attract unusually high levels of mark-ups. What this information shows are the increases which are added to the price of the commodities paid by the distribution sector to their foreign and local suppliers. The total margin represents the total increase added to these prices by the profits earned by the entire distribution chain including the warehouses, the big distributors, the wholesalers and the retailers who sell the commodity finally to the consumer. The portion of these totals that accrues to each of these functionaries in the distribution sector is also identified.

Although these figures give us some idea of the price burden which the consumer has to bear to cover the production costs and profits of the distribution sector, there is no information on costs of production at these different stages in the distribution chain to give us an idea of whether the merchant is in fact accruing "super profits".

TABLE I
AVERAGE PER CENT MARGINS ADDED TO COST OF IMPORTED
UNCONTROLLED ITEMS BY DISTRIBUTION SECTOR (1973)

Total Margin	Storage Margin	Distributors' Margin	Wholesalers' Margin	Retailers' Margin
52%	2%	21%	5%	22%

TABLE II
AVERAGE PER CENT MARGINS ADDED TO COST OF LOCALLY
MANUFACTURED UNCONTROLLED ITEMS BY DISTRIBUTION SECTOR (1973)

Total Margin	Storage Margin	Distributors' Margin	Wholesalers' Margin	Retailers' Margin
77%	12%	28%	12%	24%

TABLE III
PERCENTAGE TOTAL MARGINS ON SOME UNCONTROLLED ITEMS (1973)

	%		%
Black pepper	300	Floor polish	169
Carbonated beverages	118	Washing powder	120
Toothpaste	323	Dishwashing liquid	230
Cleansing powder	131	Shoe polish	86
Razor blades	313	Liquid polifloor	77

Source: The National Planning Agency, "The distribution chain in Jamaica."

It seems to us that the levels of mark-ups on these items which are not subject to price controls are excessive, to say the least, regardless of whether the profit margins are large or small. Additionally, there is a clear need to reduce the multiplicity of functionaries in the very complex distribution chain which simply adds to overhead costs and the total mark-up margin. Why is there a need for both distributors and wholesalers? Why is it that on those commodities in which there is no wholesaler in the distribution chain the total mark-up is no less than on those in which both distributor and wholesaler operate? The clear implication is that there is an unofficial price cartel whereby the total mark-up on uncontrolled items is kept at a certain excessively high level regardless of the actual reductions in overheads that come from eliminating one stage in the chain.

It seems somewhat strange that the mark-ups on locally manufactured items are much higher than those on imported commodities. This suggests to us that the imported price is being used as the price leader in the local market and that mark-up levels for locally produced commodities are being "jacked up" to reach those higher prices. We do not have the evidence to investigate this hypothesis but it certainly deserves careful examination. Whatever the reason, these large mark-ups on locally produced items rob them of potential competitive strength in the local market and deny the consumer part of the potential benefit of import substitution. Is there a conspiracy by the merchant class to sabotage these objectives or is there some other reason for the difference in mark-up levels such as the volume of items handled, spoilage, and unit cost of handling? The public needs to be informed on these matters and we should be in a position to avoid having to engage in mere speculation on these critical issues.

Tables IV and V set out the comparative mark-up figures for both imported and locally manufactured items which are subject to price control.

We note with some relief the fact that the government's price controls produce a drastic reduction in the level of mark-ups for both imported and locally manufactured items with the differences between uncontrolled and controlled mark-up levels being in the region of a 2:1 ratio. This would

suggest a clear basis for validating the government's price control policy. *We think, however, that such a validation would be premature as there are a number of unanswered questions which the price control policy will have to address.*

TABLE IV
AVERAGE PER CENT MARGINS ADDED TO COST OF CONTROLLED IMPORTED ITEMS BY DISTRIBUTION SECTOR (1973)

Total Margin	Storage Margin	Distributors' Margin	Wholesalers' Margin	Retailers' Margin
26%	2%	5%	6%	12%

TABLE V
AVERAGE PER CENT MARGINS ADDED TO COST OF CONTROLLED LOCALLY MANUFACTURED ITEMS BY DISTRIBUTION SECTOR (1973)

Total Margin	Storage Margin	Distributors' Margin	Wholesalers' Margin	Retailers' Margin
36%	6%	17%	4%	8%

Source: The National Planning Agency, "The Distribution Chain in Jamaica."

The huge difference in mark-up levels between controlled and uncontrolled items reflects a period in which only a small number of basic commodities were under price control. This meant that the merchant class was able to recoup the losses by pushing up prices on some of the items not controlled. We believe that this factor partly accounts for the excessive mark-ups on some items listed in Table III. Where the ratio between uncontrolled and controlled items is high in terms of the volume of commodities moved by the distributive sector, the merchant class may conceivably be even increasing profit margins while being subjected to price controls. Without profit data this is, however, mere speculation. More importantly, it would seem to be the case that the merchant class recovers its loss of income on the controlled items by "jacking up" items bought mainly by the better-off sections of the working class and the middle class, which is a desirable redistribution of the price burden.

The government's new strategy is to increase significantly the number of items under controlled prices and to add a second even larger list where there are no established price ceilings but increases in prices can be challenged with a view to effecting controls and ceilings. This is a well conceived proposal but it falls short of the real requirements needed to get to the root of the problem and it does not have the tools to tackle many of the difficulties that have arisen and will arise.

First of all, the distribution problem is more than simply a question of prices although the price issue is the most crucial. It involves as well the tremendous power of big distributors like Grace Kennedy, Facey Commodity Service, Bryden and Evelyn, J.H.G.Mapp (Succs.) and T. Geddes Grant who control supplies and have a powerful lobby that enables them to get their way and twist arms in the public sector. As price control widens over more and more commodities they are in a position to twist arms and create artificial scarcities which could sweep any opposition to the price levels they demand. They are able to starve out the small distributor of basic supplies thereby affecting the viability of a whole large sector of petty capitalists in the economy which will then be blamed on government's restrictive and anti-capitalist policies. They are able to use disruptive tactics which can bully any vote-conscious government into conceding their demands. As price controls extend over more and more commodities they will seek to bring their weight to bear on the whole decision-making process in the public sector and the countervailing forces are not very strong, or organised.

In our view, it is going to be less easy in this second round of more wide-ranging price controls to restrain mark-ups on controlled items. Equally important is the fact that the big capitalists in the distribution sector are in a position to take out their cut from the controlled price and leave whatever crumbs are left for the small retailer. The result could be a large-scale collapse of small retailers accelerating an existing trend which would simply increase the dependence of the consumer on big supermarket chains increasingly controlled by bigger capitalists with tremendous power and economic weaponry to pressure the government and society into compliance with their wishes.

The only effective answer to all these problems is a government take-over of the big distributors to ensure both reasonable prices across a very wide range of commodities and adequate supplies that are spread wide enough not to exclude the little rural shops and corner stores in poor areas. If this is accompanied by a rationalisation of the distribution chain designed to include elimination of duplicated stages and functions and super-profits, the result could be a most effective set of instruments that could really tame the galloping inflation that threatens to add infinite misery and oppression to the already down-trodden and dispossessed masses. There is a clear case for seeing the distribution sector as being a vital community service similar to public utilities and for placing ownership and control of it under the public domain and outside the reach of profiteering.

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Chapter 12

SOCIO-POLITICAL ASPECTS OF THE SUGAR CO-OPERATIVES

1. Introduction

The twenty farm co-operatives established at Frome, Monymusk and Bernard Lodge are more than simply new business ventures the success of which will depend on their economic viability. While the central importance of their profit-and-loss position is beyond question, it is not sufficient to ensure the survival and full development of the co-ops. The history of co-operatives has shown that social and political factors are as important as the economic aspects in determining long-term viability. Furthermore, maximum efficiency in co-op management and the use of labour and other resources require a minimal level of co-op commitment, participant-involvement, and consciousness on the part of the co-operators. More importantly, co-ops involve the creation of new democratic behaviour and attitude change on the part of co-operators. The study embodied in this report represents an attempt to survey some of the more important attitude and behaviour changes among the former sugar workers who have assumed the task of self-management in these twenty farm co-operatives.

The survey was carried out on ten farms which comprised the following:

Frome Estate: Georges Plain, Frome, Barham.

Monymusk Estate: Hillside, Morelands, Salt Savannah, Bog.

Bernard Lodge: Windsor, Half-Way-Tree, Salt Pond.

Barham, Salt Pond and Morelands are pilot co-op projects which have been in operation since the last crop year (1974-75), while the other seven farms have only been established as co-operatives since the current crop year (1975-76). The membership of the farm co-ops varies approximately between 170 and 200 members. We attempted to interview 40 members from each of the ten farms selected on a quota sample basis. In the case of the Frome co-ops the interviews fell some 40% short of our target because of a number of difficulties. The data on Frome must therefore be interpreted with caution, particularly those for the Georges Plain and Frome farms.

The data were gathered by means of a standardised questionnaire which was administered by 8 university students over the period March to April, 1976.

The major objective of the study is to provide information on aspects of these sugar co-ops that will escape attention in the day-to-day operations involved in the growing and the reaping of the cane but which will have a direct bearing and impact on the long-run success of the venture. Such information it is hoped will be of use to the planners engaged in the development of educational programmes and the mapping of strategies designed to consolidate co-op commitment at the rank-and-file level.

2. The focus

The survey attempted to gather information on three central areas of the social and political aspects of the co-ops. The first included the level of awareness, information and participation among the co-operators. The second examined their overall response to and support for the new worker-management structures that have been established. The third analysed the degree to which new values and loyalties and commitments were being created by the on-going process of co-operative production and mobilisation which is itself an instrument of learning.

The basis on which the analysis proceeds is that there are several interrelated tasks (both social and political) that are involved in the creation of viable co-ops on these sugar lands. They include the following:

1. Transfer of management authority from estate staff to elected workers.
2. Liberation of the workers from the culture of oppression that engenders self-doubt, distrust,

apathy, and dependency on non-workers, by the development of a new and sharpened consciousness of worker power and unity.

3. A shift from a proletarian worker focus on wage income to combining that with an equal interest in profits, capital accumulation, and business responsibility and efficiency.

4. The growth of positive interest in worker participation in management functions to replace a tradition of worker apathy and withdrawal.

5. The reconciliation of new democratic management forms with the traditional role and responsibility of the field staff or line management.

6. The development of broad mass support for the new worker leadership and the promoting co-op organisation, the SWCC.

7. Value commitment to the co-operative principle and support for the new structures developed.

8. The diffusion of knowledge and understanding of the co-op structure and the production, marketing and general business aspects of the co-op farms.

9. Transfer of loyalties from trade unionism to full commitment to the co-op movement as part of a community of self-employed cane farmers.

10. Co-operators' interest in and support for educational programmes designed to enlarge their knowledge and understanding of how the co-ops function.

Obviously, not all these tasks can be carried out in the short run and some will receive priority attention over others. Clearly, in the transition period represented by the first crop year under co-op management, many areas will have received only partial or inadequate attention. Some will evolve in the normal process of trial and error and learning from efforts to solve day-to-day problems while others will require conscious and planned efforts. In each case, however, it is necessary to assess as fully as possible from the data gathered the progress attained and the gaps that remain outstanding for future action and effort. In evaluating the data available it will be necessary to bear in mind the different levels of difficulty involved and to set realistic targets that reach for what is attainable rather than what is ideal. Additionally, it will be useful to diagnose existing and potential problem areas as well as to identify areas of strength. Finally, in making this overall assessment, it is necessary to set aside ideological and emotional biases and exercise objective judgments bearing in mind the fact that data from the survey carried out can provide only a partial picture of the complex realities and human relationships involved.

This assessment has to be set against the background of two controversial issues. The first concerns the rate of co-op development which has been viewed by some commentators as proceeding too rapidly to allow adequate planned efforts to overtake the tasks involved. The second relates to differing views on the process of learning by the co-operators. One school of thought suggests that the learning process depends largely on experience and trial and error aided only in part by formal training, while another places a greater emphasis on extensive and carefully planned educational programmes at the mass level that can re-orient the patterns of attitudes and behaviour that are products of the traditional estate system. While not pretending to offer definitive solutions to these controversies, the findings of the study will be used to clarify some of the issues. More importantly, an effort will be made to advance some action proposals to consolidate the development of the co-ops.

Given the wide variations and differences found on the various farms it will be necessary to present the findings on a farm-by-farm basis to permit comparisons which may suggest reasons for the differences found. This level of detail is a necessary corrective against the tendency to over-generalise from developments on a few farms that are often atypical of the general pattern. It should be noted in this connection that in addition to other differences that will emerge from the findings, the three pilot projects (Morelands, Barham and Salt Pond) have no membership in the SWCC, the promoting grass-roots co-op movement. This applies as well to the Hillside co-op farm.

3(a). Participation and awareness

The democratic structure of decision-making in a co-op requires that there be a minimal level of rank-and-file attendance at regular monthly meetings to ensure that co-operators keep informed on

developments on the farm. This is also essential to give expression to their opinions and points of view to sensitise the eleven-man elected managing committee and the project manager to these perspectives. Inevitably there will be a proportion of consistent rank-and-file non-attendance due to the long hours of physically exhausting labour, residential patterns that are located at some distance from the farm, household and family responsibilities, and commitment to other activities such as small-scale farming on private plots of land.

The level of consistent non-attenders at farm co-op meetings varies mainly between one-fifth to one-third of the co-op membership on the farms. There are no significant differences between the pilot projects and the new co-ops, and the Salt Savannah farm at Monymusk is atypical in the very low incidence of consistent non-attendance. This, however, is only a partial index of participation levels. The more important indices relate to the proportion of the farm membership that turns out on a regular basis at the farm co-op meetings and the proportion of members who attended at least one meeting in the month preceding the interviews. The former gives a measure of the size of the consistent and reliable attendance at meetings and the latter an indication of the proportion of the farm co-op membership who have maintained some recent contact with the deliberations and dialogue that take place at these meetings.

TABLE I: Attendance at farm co-op meetings

	Consistent absentees %	Consistent participants %	Participants in recent meetings %
Frome			
Barham	20	20	46
Georges Plain	25	23	48
Frome	22	24	38
Bernard Lodge			
Windsor	21	33	55
Half-Way-Tree	36	30	43
Salt Pond	26	40	66
Monymusk			
Hillside	20	42	70
Morelands	30	31	56
Bog	33	34	64
Salt Savannah	15	37	62

At the Monymusk and Bernard Lodge farms the level of consistent attendance ranges from 30 to 40 per cent, with the Salt Pond and Hillside farms showing the highest turnout levels. Although the consistent turnout rate is considerably below what could be considered ideal, it is respectable in comparison with regular turnout levels found in mass organisations that have been researched in other countries. The regular turnout level has also to be measured against the fact that between 25 and 45 per cent of the membership on these farms contend that they have great difficulty attending these meetings owing to the great distance between the farms and their homes, transportation problems, the timing of their working hours, and pre-occupation with small-scale farming activities on rented, leased, 'captured', and privately owned plots. The significance of this latter factor is greater in the Frome area where a larger proportion of co-operators are engaged in peasant-type small-scale farming with the result that regular meeting attendance is much lower than at the Monymusk and Bernard Lodge farms.

The level of recent meeting participation which includes both the hard-core regulars and less consistent participants gives a much better index of how many members on the farms maintain a minimal level of contact with the farm leadership through this medium. Here the variation is much greater ranging from 38 to 70 per cent, with the Monymusk and Bernard Lodge farms showing a consistently higher turnout level. With the exception of the farms at Frome and the Half-Way-Tree

farm at Bernard Lodge the overall level of communication contact through the medium of formal farm meetings is appreciably high by any standards and indicates a healthy level of group participation.

These crude indices of participation level are, however, inadequate as measures of the quality and character of participation for obvious reasons. The study therefore attempted to obtain from the co-operators their views on the character of the co-op meetings on the farm with particular reference to whether they were satisfied with how the meetings were conducted and whether the rank-and-file members had a full opportunity to participate in the dialogue. This feed-back on the character of the co-op meetings as viewed by the rank-and-file membership is especially important in view of the inexperience of many of the farm chairmen and elected committee members in these new leadership tasks and the extent to which the relatively large size of the farm membership means that a great deal of the dialogue between leadership and rank-and-file membership has to be channelled through this medium. Additionally, the co-op farm meetings provide the main channel through which the democratic power of rank-and-file members can be expressed and consequently negative attitudes towards the character of the farm co-op meetings imply a diminishing of the sense of popular control over the co-ops.

The results set out in Table II indicate that a large majority of the membership on each farm think that the regular farm co-op meetings allow for adequate opportunity to articulate their views and raise questions. Of interest is the fact that the two farms which had the highest levels of meeting turnout (Hillside and Salt Pond) are the farms with the largest proportion of members who feel that the meetings are dominated by the chairmen and committee members and consequently do not permit opportunities for full discussion.

TABLE II: Attitudes to the Conduct of Co-op Meetings

	Dominated by leaders	Promotes free discussion	Too much disorder, quarrels and no information	Conducted properly
	%	%	%	%
Frome				
Barham	11	80	4	96
Georges Plain	10	85	28	65
Frome	14	80	20	78
Bernard Lodge				
Windsor	23	71	27	71
Half-Way-Tree	20	72	44	51
Salt Pond	32	60	24	74
Monymusk				
Hillside	36	58	60	36
Morelands	12	85	20	80
Bog	11	82	43	53
Salt Savannah	7	91	10	87

Satisfaction with the flow of dialogue at these meetings is higher at Frome and Monymusk than at the other estate, Bernard Lodge. At Monymusk, both the Bog and Salt Savannah farms show very high levels of satisfaction in this area. At Bernard Lodge significantly large minorities on all three farms view these meetings as leader-dominated which suggests that the potential for seeking redress of grievances outside of these channels of democratic participation is higher here than on the other two estates.

Greater variation was found in the responses of the co-op membership to the question of whether the regular co-op meetings were properly conducted. These responses to a large extent reflect rank-and-file sentiment on how well the elected farm committee chairman in particular performs the task

of democratic leadership at this very important level. Consequently, this indicator is perhaps the most important measure of **satisfaction level** that attends the process of rank-and-file participation on the farms. The significance and meaning of the data on rates of meeting turnout must therefore be assessed in the light of this more qualitative index of participation.

The data shown in Table II indicate that with the exception of three farms (Hillside, Half-Way-Tree and Bog) the satisfaction levels are reasonably high. In the case of these three farms it was found that dissatisfaction tended to be mostly concentrated among the harvesting section of the rank-and-file membership as in each case the satisfaction level of the non-harvesting group compares favourably with the level found on most of the other farms.

Hillside farm shows a dangerously low level of satisfaction with democratic leadership performance at this level. Barham, Frome, Salt Savannah and Morelands are outstanding in the evident high level of rank-and-file satisfaction in this area while the level is appreciably high for the remaining three farms. Again the farms at Frome show an overall higher level of acceptance of the new democratic practices although their participation rates were shown earlier to be somewhat lower than those on the other two estates.

There appears therefore to be an emerging pattern of types of participation on the ten farms surveyed. Utilising the two variables **attendance at recent meetings** (participation rate) and **satisfaction with the conduct of meetings**, we attempted to construct a crude typology of participation types as shown in Table III.

TABLE III: Types of Participation

Participation Level*	Satisfaction Level*	
	Low	Medium to High
Low	Half-Way-Tree	Barham, Georges Plain, Frome
Medium to high	Bog, Hillside	Windsor, Salt Pond, Morelands, Salt Savannah

*The low and medium categories including all cases approximately equal to or higher than the mid-point in the distribution within the ten farms.

In the type-one co-op farm (Half-Way-Tree) low participation rates exist along with low satisfaction levels. In the type-two farms (Frome, Georges Plain, and Barham) which are all Frome estate farms, medium and high satisfaction levels are associated with low participation rates. In the type-three farms, both of which are Monymusk farms (Bog and Hillside), medium and high participation rates co-exist with low satisfaction levels. In the type-four farms which are drawn equally from Bernard Lodge and Monymusk estates (Windsor, Salt Pond, Morelands and Salt Savannah), medium to high participation levels are found alongside medium to high satisfaction levels.

It may be of some significance that rank-and-file satisfaction with the conduct of meetings was reasonably high for all the pilot projects which have completed one full year of co-op management. This could be interpreted to mean that the level of satisfaction is likely to increase over time as the experience in co-op management develops and as the rank and file become more attuned to the style of leadership and as the confidence of the leadership grows in the performance of these democratic leadership tasks. The experience of both Morelands and Salt Pond suggests, however, that the process of achieving this is not necessarily free of sharp leadership-rank-and-file conflicts that often severely test the capacity of the former to survive and deepen the democratic character of its leadership.

The reasons given for the satisfaction levels expressed reveal some interesting tendencies. Among those co-operators dissatisfied with the conduct of the meetings the main reasons given were that meetings were disorderly; that no adequate information was forthcoming on matters of interest; and that meetings were monopolised by domineering chairmen. Those who were satisfied with the meet-

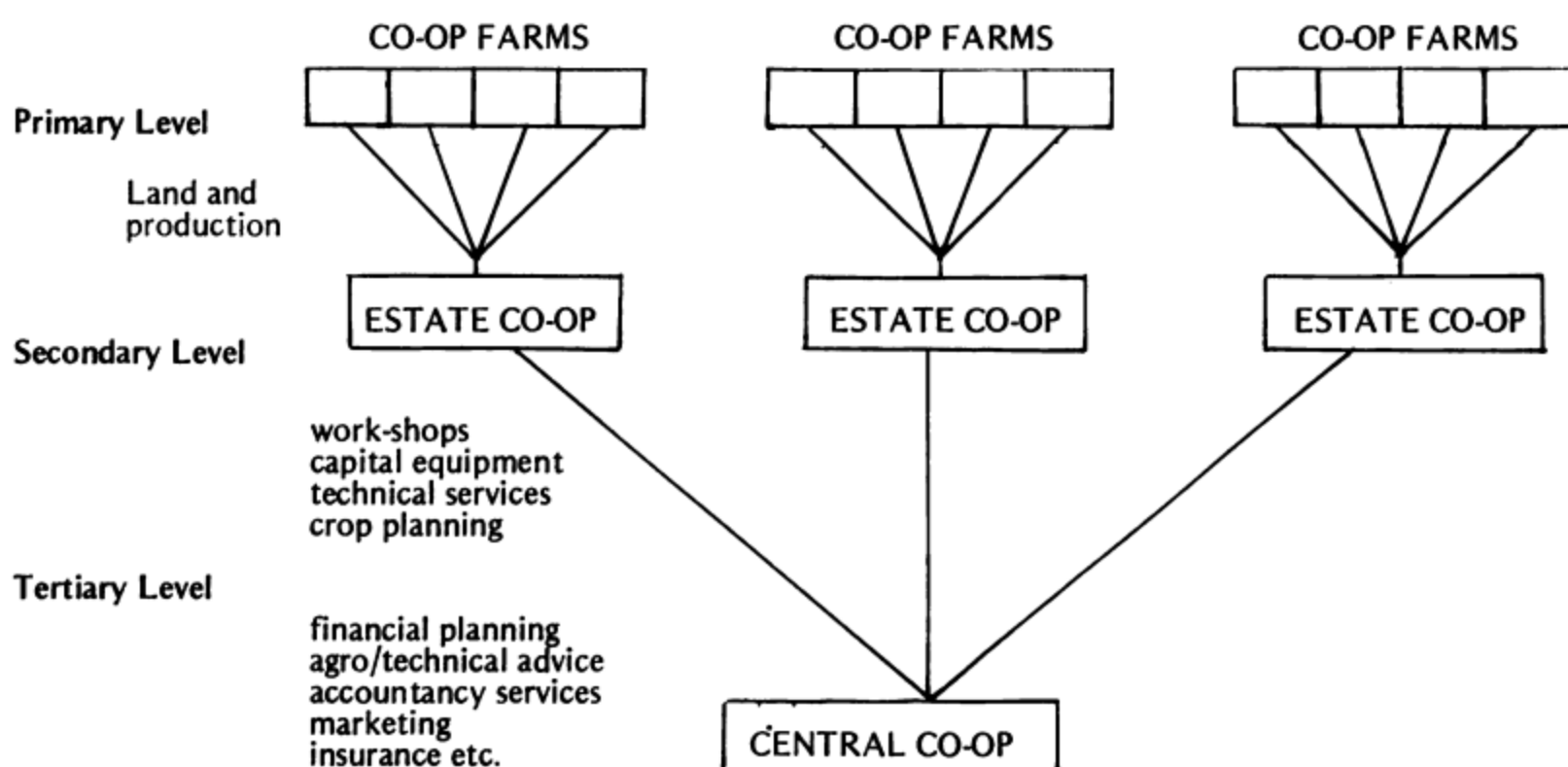
ings tended to feel that conflicts got resolved; important information was forthcoming; proper procedures were observed; and that the chairmen performed well having regard to their limited experience in such matters.

Any proper assessment of these data on participation rates and satisfaction levels would be incomplete without a parallel discussion of the level of co-op awareness and consciousness that informs this involvement. These involve firstly the level of rank-and-file knowledge of the overall co-op structure in which the farm co-op is located. Secondly, it embraces the level of co-op awareness of the basic economic and production aspects of the farm business ventures in which they have a stake as part-owners. Thirdly, it involves an assessment of the nature and level of support for the ideology of worker control that informs the very concept of establishing worker-run co-operatives on these farms. Fourthly, it must include some measure of the dominant motivating factors that inform interest and involvement in the co-ops. Finally, it must also involve obtaining the co-operators' own views on what gaps in their knowledge, understanding and information levels are seen as primary so as to assess their preparedness for more intensive educational efforts in the future.

Diagram 1 sets out in very simple form the overall three-tiered structure of co-op management into which the individual co-op farms fit. The accelerated pace of co-op development that has taken place and the multiplicity of largely agitational issues that have dominated co-op discussion on the estates suggest that it is unlikely that there will be much rank-and-file comprehension of this overall co-op structure. Additionally, the low level of literacy found on the farms implies that that for most co-operators there is complete dependence on 'word-of-mouth' rather than written communication. This means that information on administrative details may be poorly communicated. Finally, the largely farm-centred loyalties and communication patterns found on these estates indicate a low sensitivity for and interest in structures located outside of the farm setting and that only after some long period of working relationships among these three levels of the co-op management will rank-and-file understanding and awareness of the overall structure approach a desirable level.

DIAGRAM 1

ORGANISATION OF SUGAR CO-OPERATIVES



It is our view that awareness of the overall structure, the personnel who man it at different levels and the principles that govern the interrelationships between the three levels of co-op management is of more than academic interest. Conflicts invariably arise between different levels of any management structure, whether co-op or otherwise. The traditional estate system breeds distrust of bureaucracies and external agencies of control with which the rank and file have little contact. Resolution of such conflicts and a lowering of this 'syndrome of distrust' for remote bodies demands that rank and file at least understand what the bureaucratic structure is about as without this familiarity and awareness the higher levels of co-op management will inherit a legacy of suspicion. Additionally, and more importantly, the legitimacy and acceptability which the SWCC as a mass co-op promotional organisation is able to give to the overall co-op management structure will decline in impact as its agitational role increasingly declines with the consolidation of co-op management and as the entire process becomes more and more bureaucratised. It is therefore our view that gaps in this area of co-op rank-and-file awareness represent an area of weakness.

As a result of the tendency towards localism, all three pilot projects (Morelands, Salt Pond and Barham) have opted to stay out of the SWCC mass movement and are consequently not part of the overall three-tiered management structure. Rank-and-file members of these pilot project farms are consequently not likely to have much awareness of the overall structure. The same applies to Hillside which has remained outside of the SWCC in alliance with Morelands at Monymusk.

The co-operators on all farms were asked to indicate whether or not they were aware of the estate and central co-op boards and their functions and whether they could name persons who sat on these bodies. While in many cases co-operators admitted to being able to recognise at sight one or two individuals who were connected with the SWCC, in only a rare minority of cases were there responses that conveyed the barest awareness of the overall structure and the functions performed at the secondary and tertiary levels and a knowledge of the names of persons who were sitting members of the estate and central co-op boards.

As can be seen from Table IV, among the SWCC farms the level of knowledge of the estate level structure and its personnel was highest at Frome and lowest at Bernard Lodge with both Monymusk

TABLE IV: Awareness of Overall Structure

	Respondents with knowledge of Estate Board and its functions and able to name least one member
SWCC Farms:	%
Frome	
Georges Plain	33
Frome	35
Bernard Lodge	
Windsor	18
Half-Way-Tree	13
Monymusk	
Bog	20
Salt Savannah	26
Independent Farms:	
Frome	
Barham	7
Bernard Lodge	
Salt Pond	5
Monymusk	
Morelands	4

farms showing a modest minority awareness. Of interest is the fact that this awareness was highest and indeed concentrated within the groupings of consistent and regular participants in the regular farm co-op meetings. Given the short period over which the structure was set up to administer the present crop and the other attendant problems involved in communicating an understanding and awareness of the central co-op organs, the levels of awareness could well have been much lower. To the extent that the hard core of regular meeting attenders constitute a significant part of the opinion-influencers on the farms, their knowledge and awareness of the overall structure strengthens the links between the primary (farm) and higher levels of the co-op management on the estates.

There seems to be a clear need, however, to increase this awareness level on all farms, particularly at the Bernard Lodge farms where the level is very low. At Frome and Monymusk there is at least a critical minority who are in touch with and aware of the wider structure. While it may be argued that this awareness will grow naturally over time out of actual transactions taking place at the various levels of the co-op management, acceleration of the process by further educational efforts would seem to be a wise strategy to combine understanding with support for the secondary and tertiary levels of the management structure to avoid weaknesses that could be plagued by resurgence of the syndrome of distrust that is so endemic in the sugar estate sub-culture.

Not surprising is the fact that rank-and-file knowledge of the tertiary level of the central co-op Board and its personnel was virtually non-existent, varying in all cases between 2 and 8 per cent of the farm membership who have an awareness of its existence and functions and knowledge of at least one person who sits on that board. As in the case of the spread of rank-and-file knowledge of the Estate Board, there is an obvious need to pass on a grasp of these overall administrative details to the co-op members by way of further educational efforts in this very important area.

As expected, the independent farms showed virtually no knowledge of the overall structure, which is due mainly to their disconnection from the SWCC mass movement which has been the major force attempting to overcome farm localism in order to build the support base for a viable multi-level co-op management structure. Obviously, this goal has only been partially achieved.

In order to assess the co-operators' awareness of the business and production aspects of the farm enterprises, they were asked to indicate whether they knew the price paid for cane by the factory at the end of the last crop, and the approximate tonnage of cane produced on the farm last year. In each case answers that were not precisely accurate but were roughly close to the correct answers were classified as correct. Knowledge of this sort can be expected to grow as the business side of the venture gets discussed, particularly at the end of a crop when dividend payments and profits have to be assessed. It is therefore not surprising that the three pilot project farms show a much higher level of business knowledge than the other farms. It is also reasonable to assume that the level of knowledge on the other farms should be raised to that of the pilot project farms by the end of the current crop.

As can be seen from Table V, between 30 and 50 per cent of the pilot project farm membership know the cane price while between 30 and 50 per cent have an approximate idea of how much cane the farms produce. It is clearly desirable to spread this sort of knowledge even much wider among the membership so as to promote informed discussion when business decisions have to be made. Planned education on these matters is therefore necessary even for the pilot projects that have been through a crop year and have had to declare and decide on profits and dividend payments.

The level of business knowledge on the other farms is extremely low and while one can expect it to increase significantly by the end of the crop, here as well planned educational effort over the coming dead season would be advisable to firm up a necessary minimal grasp of these vital areas of business knowledge.

One factor contributing to the low level of business and administrative knowledge and the limited educational possibilities in this area is of course the literacy level. While it would be misleading to

suggest that basic knowledge in this and other areas cannot be grasped and understood without high levels of literacy, it is beyond dispute that the ability to read and write and understand and compute simple figures aids the comprehension level; accelerates and simplifies the process of communicating both ideas and facts; strengthens the confidence of the rank and file to participate in certain business and administrative discussions and decisions; and reduces the distrust factor by enabling the individual to verify information given and to make independent computations of figures such as dividend payments.

TABLE V: Knowledge of Business Matters

	Respondents with knowledge of cane price (last crop)	Respondents with knowledge of total tonnage of farm production (last crop)
	%	%
Frome		
Barham	50	31
Georges Plain	0	10
Frome	5	5
Bernard Lodge		
Windsor	10	17
Half-Way-Tree	13	13
Salt Pond	42	34
Monymusk		
Hillside	8	5
Morelands	33	32
Bog	9	6
Salt Savannah	5	5

Table VI sets out the level of literacy existing on the ten farms. The highest levels are to be found at Monymusk where roughly 50 per cent of the co-operators are literate. At Bernard Lodge the level is slightly lower while Frome shows a majority of non-literates on each of the three farms.

TABLE VI: Level of Literacy

	Respondents who claim to be able to both read and write
	%
Frome	
Barham	31
Georges Plain	35
Frome	38
Bernard Lodge	
Windsor	48
Half-Way-Tree	44
Salt Pond	39
Monymusk	
Hillside	51
Morelands	52
Bog	49
Salt Savannah	55

Evidently, literacy training has to be integrated into any programme of education development. This is acknowledged by the co-operators, who contended that the four main areas in which they thought such a programme should be directed are the business and financial aspects of the co-op, overall co-op structure, literacy training, and production and cultivation methods, in that sequence of importance. More than 80 per cent of the respondents on each farm saw the need for an educational programme along these broad lines. Such a programme should attempt both to impart

literacy and numeracy skills as well as raise the level of knowledge of the business and administrative aspects of the farm enterprise which is a major concern with the co-operators.

The SWCC has carried out extensive mobilisation of co-operators over an approximately two-year period in the attempt to build commitment to the ideology of worker control. The idea has been promoted in ways that have appealed to ownership and power aspirations; worker unity and solidarity as a principled commitment; aspirations for greater material gain from the estate; belief in democracy and wider participation; freedom from authoritarian 'busha' control; and interest in a better management of the estate. The survey therefore attempted to assess the respondents' views on the meaning of worker control to see which sentiments and responses were paramount in the reactions to this mobilisation. In spite of the time period over which the mobilisation took place, given the small size of the SWCC core staff, the large size of the estate work force, the vast acreages of land over which the estates are spread, and the difficulty with which initial interest in the co-ops was developed, we expect to find pockets of vagueness and lack of any clear view and commitment to this concept by some co-operators.

Table VII outlines the main ideas around which the co-operators on the farm conceptualised and expressed a belief in worker control as well as the proportion of co-op members on each farm who either had no view or expressed no commitment to the idea.

TABLE VII: Support for Worker Control

Respondents expressing no commitment to worker control		Respondents supporting worker control by main commitment		
		Profits through ownership and control (a)	Worker solidarity (b)	Total (including other reasons) (c)
Frome	%	%	%	%
Barham	14	65	16	86
Georges Plain	15	63	17	85
Frome	17	64	18	83
Bernard Lodge				
Windsor	16	57	25	84
Half-Way-Tree	16	66	15	84
Salt Pond	40	51	6	60
Monymusk				
Hillside	54	38	3	46
Morelands	30	50	20	70
Bog	14	55	28	86
Salt Savannah	13	55	30	87

It should be taken into account that the ideological commitment to the central principle of worker control is a crucial aspect of rank-and-file support for the structures of co-op management in so far as this principled commitment provides the underpinning necessary to sustain loyalty in times of crises, conflicts, and organisational and production difficulties. Secondly, the content of the commitment reflects the central or driving motivating force that must be satisfied if the ideological loyalty is to be sustained and developed over time. The less materialist these motivating forces are, the more reliable is the underlying loyalty as a self-sustaining force.

The levels of this ideological consciousness appear to fall into various clear categories which are apparent from Table VII. The least ideologically developed farms are Hillside and Salt Pond. In each case there is a large section of the farm membership who reveal no commitment to the principle of worker control. Significantly, these are both independent farms who have disconnected from the

mainstream SWCC mass movement and have consequently suffered from the absence of the politicising and mobilising influence of that organisation. This applies as well to Morelands where the non-commitment to worker control is higher than that found on all SWCC farms.

On the remaining seven farms the level of ideological commitment is higher but with significant differences between the Bernard Lodge, Frome and Monymusk farms. At Monymusk (Bog, Salt Savannah, Morelands) commitment is expressed more in terms of worker solidarity than at Frome or Bernard Lodge, and co-op loyalty appears to be less rooted in materialist motivations. On all farms, however, the pre-eminent and overriding motivation is that of ownership and power conceived as means to the realisation of profits and income increases. The sustaining and development of this commitment therefore rests on a minimal satisfaction of the aspiration for profits and increased material gain. It is this materialist aspiration that provides the dominant motivating force in co-op commitment. Interestingly, the Windsor Farm at Bernard Lodge is atypical of that estate and is similar in motivational pattern to that found at Monymusk where the principle of worker unity is embraced by a significant minority as the basis for commitment to worker control. Bog, Windsor and Salt Savannah are clearly the most ideologically advanced farms of the ten surveyed. Even on these more ideologically advanced farms, however, it is the aspiration for greater income that is the main fuel for co-op commitment to worker-controlled management of the farms.

Further evidence of the pre-eminently materialist motivation to co-op support is to be found in the views of the co-operators on benefits they have derived from the setting up of the co-ops. Among the co-operators who identified benefits received, not more than 25 per cent of the respondents on any farm referred to any non-material benefits, and the percentage on 4 farms (Barham, Salt Pond, Half-Way-Tree and Hillside) was less than 10%. The highest level of perceived non-material benefits such as greater freedom, democracy, and worker unity were at Salt Savannah (23%), Bog (22%), Windsor (20%), Morelands (18%) and Frome (19%).

The low level of non-materialist co-op commitment can be explained in terms of the long history of low wages and uncertain take-home pay on these estates and the factor of the substantial severance payment which has been the main inducement for co-op membership. Given the strong trade-union tradition among the co-operators it is most unlikely that mere educational efforts can re-orient this basic materialist perspective that is rooted in the vicious circle of low wages that has been the major pre-occupation of the sugar proletariat now transformed into co-operators. It may be that only after wage levels and purchasing power have been raised substantially over a long enough period will there be room to develop a more advanced level of co-op consciousness. Hopefully, however, in the process of building the co-ops into viable entities a tradition of worker democracy and self-help may emerge eventually, but this will inevitably be a long-run process of learning. The process has not been aided, in my view, by the paying out of material benefits before the real test of the burdens of worker self-management and the attendant responsibilities have been assumed and experienced.

Clearly, the findings point to the important ideological role which the SWCC's access to the farms has had in creating a minimal level of commitment to the co-op idea. To the extent, however, that the motivating factor continues to be mainly materialist there is room for further ideological development to provide a more self-sustaining basis for co-op loyalty and commitment. It should be appreciated, however, that the sustaining of even these present levels of ideological commitment will need continued grass-roots politicising, which becomes more and more difficult to carry out as SWCC personnel get caught up in management and bureaucratic tasks. Such ideological development must therefore form an integral part of any planned educational programme for the rank-and-file co-operators to consolidate and deepen the commitment levels that exist. Such efforts will obviously only succeed to the degree that the co-ops prove economically viable and provide a minimal satisfaction of the aspiration for greater incomes.

3(b). Responses to the new authority structure

An obviously central aspect of the creation of the twenty co-op farms at Frome, Bernard Lodge and Monymusk involves the setting up of a new management structure on each farm. The structure combines the executive role of the Project Manager who functions as a chief administrative/technical officer and the directorship of the democratically elected eleven-man managing committee. Any assessment of the rank-and-file response to the new management structure must therefore focus on their evaluation of the elected farm directorates as a management group in all the various leadership, control, motivational, planning, representational and other functions they perform. Secondly, it must also examine rank-and-file reactions to the performance of the Project Manager in the new somewhat more restricted role which contrasts sharply with the traditional almost absolute power and authority of the estate 'busha' role he hitherto performed. This area of the management is especially important in view of the earlier antagonisms between the estate staff and the SWCC. Many staff personnel initially opposed the setting up of the co-ops and tried to discredit the SWCC while the latter often portrayed the staff as reactionaries who sought in many instances to hold back the workers' movement.

Equally important in examining these rank-and-file reactions to the structure is an assessment of their view of the SWCC whose political and mobilisational activities on the estates has attempted to give legitimacy and approval to the new management structures and has endeavoured through their newspaper, the *Workers' Time*, to continue to instruct, inform and give direction to rank-and-file membership on the farms. At Monymusk and at Bernard Lodge the SWCC role and contribution have come under attack from splinter tendencies within the movement that feed on the strong localist farm loyalties and the estate tradition of distrust. It is therefore necessary to assess the extent to which these anti-SWCC sentiments exist as well as the level of loyal support for the main political arm of the movement which has been the major cementing factor avoiding widespread fragmentation of the co-ops based on the localist sentiments and loyalties that exist on each farm. In the case of the pilot project farms the break with the SWCC came after the handing over of the land to the elected committee. It was as if there was a leaning on SWCC's agitational effectiveness to get hold of the land, followed by a retreat into isolationist localism once that objective had been achieved. This pattern raises the question of the continuing role and level of mass support for the SWCC on the other co-op farms where effective control has since passed to local worker management.

An additional area of interest is to assess the co-operators views of what have been the more salient and significant changes at the farm level that have taken place since the setting up of the co-ops. It is of course assumed that by democratising the farm management, basic changes take place in the running of the farm that are perceived by the co-operators as either beneficial or harmful. This assumption needs to be tested as many co-operators may perceive no such changes and it is uncertain how many view the changes as either beneficial or harmful.

With the exception of one farm, broad positive support for the farm managing committee ranged from medium to high on the farms surveyed. Only in the case of the Hillside farm did a majority of the co-operators express the view that the managing committee was not administering the farm satisfactorily. The highest levels of satisfaction with the managing committee's performances were found at Windsor, Salt Savannah and Barham. Windsor and Salt Savannah are new co-ops with somewhat more advanced levels of co-op consciousness, while Barham made a very handsome profit at the end of its first crop year. Although Morelands and Salt Pond also did well financially in their first crop year, these two farms have been plagued with conflicts between farm leadership and the rank-and-file membership. In either case, approximately one-third of the membership is dissatisfied with the managing committee which has provided a basis for often hostile and antagonistic opposition to the committee on the sensitive issue of dividend allocations. The effect has been a weakening of the leadership as well as management effectiveness.

Among the remaining 4 farms (Georges Plain, Frome, Half-Way-Tree and Bog) the level of support for the farm managing committee is moderate and at a level similar to that found at Morelands

and Salt Pond. There is therefore no apparent difference in this area of leadership support between the SWCC-affiliated farms and the independent co-op farms.

It will be observed from Table VIII that with the exception of the Half-Way-Tree farm the level of support for the managing committee is generally higher among non-harvesters than harvesters, and that in the case of the farms with the lowest levels of support (Hillside and Bog) the differences are very large.

TABLE VIII: Support for Managing Committee

	Respondents agreeing that the Managing Committee has performed satisfactorily		
	All co-operators	Harvesters	Non-Harvesters
Frome	%	%	%
Barham	92	89	93
Georges Plain	60	57	63
Frome	61	63	71
Bernard Lodge			
Windsor	78	65	84
Half-Way-Tree	64	64	64
Salt Pond	66	60	70
Monymusk			
Hillside	38	26	50
Morelands	68	62	70
Bog	56	33	70
Salt Savannah	77	71	82

The reasons advanced for disaffection with the performance of the farm leadership tend to be similar on all farms with some minor variations. These relate to an identifiable syndrome of distrust that takes many forms. It is manifested in allegations of leadership selfishness and corruption, of tendencies toward hiding and not revealing basic information, of favouritism and patronage, and of unreliability in judgment and integrity. Those who support the leadership express, on the contrary, confidence in their judgment and knowledge, belief in their sincerity and satisfaction with their concern for rank-and-file interests.

Given the low level of understanding of the administrative and business aspects of the co-op, and the fragile materialist basis of the rank-and-file co-op commitment, it is the quality of farm leadership and its credibility and support that will determine the relative strength of the respective co-ops in the short term. While there is room for improvement in the strength of rank-and-file support for the various managing committees, the overall level of support is reasonably high and especially so among the non-harvesters. The pressures and conflicts of day-to-day management and the often contentious policy issues such as determining interest and dividend payments require leadership with credibility among the majority of co-operators whose direction and judgment are likely to be followed. Most farms are fairly well endowed in this regard but substantial anti-leadership groupings ranging from 60 to 30 per cent in most cases can seriously weaken leadership strength on delicate issues. Additional work needs to be done by way of further leadership training; devising means of bridging communication gaps; improving grievance procedures; improving the representation of particular categories of workers (such as harvesters on some farms); and widening the range and level of contact between leadership and rank-and-file membership.

In spite of the apparent antagonisms between SWCC militants and the spokesmen for the Staff Association, and the accompanying anxieties over potential areas of staff-co-operators conflict, the rank-and-file members of the co-ops expressed solid support for and confidence in the respective Project Managers on the 10 farms. On 8 of the 10 farms between 85 and 95 per cent of the co-operators expressed full confidence in the Project Managers. On the remaining two farms (Hillside and Salt Savannah) the level of confidence expressed was somewhat lower but nonetheless reason-

ably high (74% and 72% respectively). More importantly, the majority of the co-operators viewed the Project Managers as competent, hard-working and fair in their dealings with workers. This is indeed a very reassuring finding which should remove many of the anxieties that have suggested that the antagonisms of the earlier agitational phase of the co-op movement may have left a residue of worker-staff bitterness that could weaken the relationship and mutual regard between the co-operators and the staff they employ at the farm level. Indeed, on all the farms surveyed it was found that the Project Managers enjoyed greater rank-and-file confidence and trust than the elected managing committees. The overall implication of the finding is that the personal regard for the Project Managers has strengthened support for the new management structure in which they play a vital role as chief executive/administrative officers responsible to the elected farm directorate and ultimately to the co-op members as a collective body.

We attempted to probe this area of attitudes to the staff by separating the support for the farm-level staff from general views on the estate staff as a whole. In particular, we examined the opinions of the co-operators on the contentious allegation that staff personnel continued to oppose co-operative development on the estate. Here we found that only on 3 of the 4 Monymusk farms (Bog, Hillside and Salt Savannah) did a substantial number of co-operators agree with the view that estate staff continued to oppose the co-ops. The proportion of co-operators holding to this view varied from 50 to 78 per cent on these 3 farms. On the remaining 7 farms only a small minority ranging between 14 and 28 per cent subscribed to this view. Clearly, the residue of suspicion towards the estate staff is primarily a Monymusk phenomenon which has been eliminated at the Morelands farm largely because of the more accommodationist attitude of the farm leadership and the chairman in particular to the estate staff. Its presence at Monymusk is perhaps due in part to various conflict issues over which political postures against staff have been much in evidence and to the fact that the Staff Association on this estate has tended to be often uncompromising in its opposition to the SWCC. As all groups get more fully involved in the primary task of cane production and as these agitational political issues recede into the past, this positive support for local level farm staff will remove this residue of anti-staff suspicion at Monymusk. One factor which has aided this development considerably is the process of democratic selection whereby co-op members at the farm level have had an opportunity to reject staff who they thought were not likely to serve the interests of the co-op in a positive way. The removal of those staff personnel in whom there was no worker confidence has cleared the way for a more fruitful relationship between co-operators and the staff they employ to perform technical and administrative tasks.

Most respondents confessed to knowing very little about the SWCC except that it was the organisation which fought for the severance pay, assisted with co-op education and generally gave its services in the cause of the co-op movement as well as managed the estates through the Estate Boards. In the majority of responses the SWCC was identified with its organisers and leading personalities while there was a minority tendency to view it as synonymous with the workers as a collective entity. The latter view tended to come from the more ideologically conscious co-operators. Because of the similarity in names and the overlap of personnel, the SWCC as a mass movement tended in many cases to be seen as identical with the USWCC (the central co-op) and the Estate Boards.

Notwithstanding these differences in perception, we attempted to probe the level of support the co-operators felt for the SWCC as variously defined. The responses fell into three main categories. Firstly, those who felt that the SWCC had helped the workers' cause mainly for reasons connected to their leadership and educational work in co-op development and their agitational efforts towards the payment of the severance. Secondly, those co-operators who felt that they did not know enough about the SWCC to express an opinion and who saw it mainly as an outside organisation working on behalf of vague causes they were not quite sure about and in any event were not committed to. Thirdly, there was the group of antagonists to the SWCC who viewed the organisation as seeking to appropriate personal benefits and power for its leadership and organisers at the expense of the workers at the 'cane root' or as having failed to sufficiently improve the workers' condition

because of a variety of areas of discontent some of which have *nothing* to do with the SWCC or the co-op management.

TABLE IX: Support for SWCC

	Supporters	The Indifferent	Antagonists
	%	%	%
Frome			
Barham	12	69	19
Georges Plain	35	50	15
Frome	50	34	16
Bernard Lodge			
Windsor	70	20	10
Half-Way-Tree	51	34	15
Salt Pond	29	40	20
Monymusk			
Hillside	17	35	48
Morelands	16	64	20
Bog	49	31	20
Salt Savannah	70	22	8

As could be expected, support for the SWCC on the independent farms (Hillside, Morelands, Salt Pond and Barham) is very low, although with the exception of Hillside the anti-SWCC sentiment is not very strong. On the other hand, only at Windsor and Salt Savannah is SWCC support at a very impressive level, although on all the other farms the proportion of antagonists is as low as on the independent farms. The data reflect an unevenness of SWCC strength that is a function of localist tendencies, the impact of local leadership, as well as trade union and local party political factors that lie outside of the control of the co-ops.

On two of the three independent farms the majority tendency is one of unconcern with the SWCC. Salt Pond is atypical in that there are more SWCC supporters than antagonists and there is no overwhelming majority tendency as at Barham and Morelands. On the three SWCC farms (Bog, Frome and Half-Way-Tree) with an approximately 50 per cent level of reliable SWCC support, it is of interest that the number of 'unconcerned' co-operators far exceeds that of antagonists.

In terms of its qualitative content it would seem from the response pattern that farm level support for the SWCC rests very largely on perceptions of the concrete benefits which that organisation is seen as delivering on behalf of the co-operators. Salt Savannah and Windsor are the only two farms where the support extends beyond this and seems to reflect a close identity with SWCC as synonymous with the workers as a collective interest. Outside of these more ideologically advanced farms, SWCC support will clearly grow or decline on the basis of the viability of the economic aspects of the co-ops. The critical period will begin at the end of this crop when the financial profit or loss position for each farm will be declared and extend into next year's crop when the entire crop to be reaped will have been financed and administered by the co-ops. Even if we can assume economic viability (which is questionable for most of the Monymusk farms) a consolidation of SWCC support on the more ideologically advanced farms and a growth of support on the other SWCC farms will require intensive and continuous educational work at the farm level.

Additionally, there seems to be a basic structural weakness in SWCC which has limited its growth of farm level support. The organisation is centralised at the estate level and has not developed farm level branches in a context in which social ties, contact and loyalty patterns are clearly farm-based and centred. At the farm level its support rests very largely on the personal credibility popularity of elected farm leaders who are loyal to the organisation. Where farm leadership is neither very strong nor very loyal to the SWCC the effect is a weakening of rank-and-file support. There is a clear need to establish farm branches of SWCC to decentralise the organisation and establish a local organisational presence which could achieve a number of interrelated objectives. These include providing

a political arm to back up the management responsibilities and functions being carried out at the farm level; establishing closer identity with the rank-and-file around which to cement more consolidated loyalties; providing a localised structure to undertake educational work which may be a burden to leadership that is tied up with management tasks; establishing an organisational basis on the farm to develop non-production areas of co-op social and community action to strengthen co-op solidarity; and creating a local political presence that both monitors those charged with management tasks and opens up a channel for more adequate redress of grievances and adequate handling of welfare and individual problems.

We also attempted to examine the extent to which the SWCC newspaper *Workers' Time* was having an impact among the co-operators, especially in view of the literacy problem. Table X sets out the level of readership as well as percentage of readers among the literate co-operators.

TABLE X: Readership of *Workers' Time*

	% Readers of <i>Workers' Time</i>	Readers as % of literates
Independent Farms:		
Morelands	28	53
Hillside	15	29
Barham	12	38
Salt Pond	8	20
SWCC Farms:		
Windsor	43	89
Half-Way-Tree	30	68
Bog	40	82
Salt Savannah	35	63
Frome	20	52
Georges Plain	20	57

As expected, there was a higher level of readership of the newspaper at the SWCC farms than at the independent farms (Morelands, Hillside, Salt Pond and Barham) where with the exception of Morelands only a small proportion of the literate read the newspaper. Similarly, the highest level of readership was found at Windsor, Salt Savannah and Bog, which are more ideologically developed than the other three SWCC farms (Half-Way-Tree, Frome and Georges Plain). If we exclude the independent farms that are not affiliated to the SWCC, the level of readership of the *Workers' Time* is higher than readership of the *Gleaner* among the co-operators and is comparable to the national level of newspaper reading, even if we take no account of the literacy factor. Although not all of the literates read *Workers' Time* on the SWCC farms the proportion of literates who do so is quite high, varying from 52 to 89 per cent on the SWCC farms.

While there was evidence of some discussion of the paper's contents between those who read it and those who do not, this kind of filtering communication process tends only to disseminate information on current controversies and issues where there is already a great deal of interest aroused. This process does not transmit administrative details and an understanding of them; or concepts or educational material designed to advance consciousness. The result is that in these areas the newspaper speaks only to a limited though not insignificantly small audience. Its message in these areas has therefore to be reinforced by face-to-face discussions and dialogue. As a transmitter of salient information on issues where there is already aroused worker interest, the paper operates with a reach that penetrates all the SWCC farms quite adequately.

In examining the co-operators' reactions to the new experience of operating within a co-op, we attempted to classify their reactions in three main categories. This included those who thought the changes introduced were for the better; secondly, those who thought that nothing really basic had changed at all; and finally, those who thought that the changes were for the worse. Only at Hillside and at Bog did more than 20 per cent of the co-operators express the view that the changes intro-

duced were for the worse. So that overall there was no evidence on any farm of strong negative reactions to the co-op experiment so far. Of some concern, however, is the fact that on some 4 farms (Georges Plain, Frome, Barham and Half-Way-Tree) a majority of the co-operators expressed the view that nothing basically had changed. The farms on which a clear majority saw important changes occurring which were viewed as beneficial include both the more advanced SWCC farms (Windsor, Bog and Salt Savannah) as well as two of the independent farms (Morelands and Salt Pond). As is the case with many other responses, the incidence of disaffection at Bog is to be found mainly among the cane-cutters whose alienation was articulated partly in terms of the apparent decline in take-home pay as well as in expressed distrust of some members of the managing committee.

The responses on four farms which indicate a majority sentiment that no basic changes have occurred in the running of the farm since the transition to co-operatives and the reaction on one farm where the changes are seen as negative rather than positive are clearly evidence of areas of weakness and low-key support for the new management structure that must be addressed by further educational and mobilisational work at the farm level. The negative responses tended to focus on take-home pay, inadequate work allotment, favouritism, allegations of confused management, a general syndrome of distrust of motives and sincerity, as well as antagonism to alleged elitism by managing committees and chairman. Failure to realise profits and dividend payments on deposit investments and to receive adequate bonus payments at the end of the year will obviously harden and strengthen these negative attitudes and increase the level of antagonists by converting many among the unconcerned apathetic and indifferent into active oppositionists.

TABLE XI: Attitudes to Changes Introduced With Co-op Management on Farm

	Changes beneficial	No changes perceived	Changes harmful
	%	%	%
Frome			
Barham	44	56	0
Georges Plain	40	50	10
Frome	33	61	6
Monymusk			
Morelands	64	20	16
Hillside	15	10	75
Bog	62	8	30
Salt Savannah	60	25	15
Bernard Lodge			
Windsor	70	26	4
Half-Way-Tree	28	54	18
Salt Pond	61	31	8

An attempt was made to identify and isolate from among those who saw the changes as beneficial the more co-op-conscious who located the salient changes in areas having to do with increased worker power and influence, improved overall management due to the more democratic management system, and the growth of greater co-operative sentiments and worker solidarity on the farm. These we distinguished from the remainder who saw the beneficial changes largely in terms of material gains by way of increased incomes and work opportunities.

It will be observed from Table XII that only at Windsor, Salt Savannah, Bog and Morelands which were shown earlier to have a higher level of co-op consciousness than the other 6 farms did a large proportion of the co-operators who perceived beneficial changes locate these salient positive changes in areas relating to the co-op structure itself and its democratic worker management aspects. On the other farms this proportion varied from as low as 20 per cent to 35 per cent. Even on these more advanced farms (Salt Savannah, Windsor, Bog and Morelands) we are dealing essentially with between 30 and 35 per cent of the co-operators who reflect this necessary and critical level of co-op

consciousness. These farms are clearly off to a reasonable start by having a critical mass outside of the elected leadership around which to build a wider body of co-op commitment. But here as in other spheres consolidation and widening of this consciousness will be contingent on demonstrated economic viability by at least the end of the next crop year as the majority are responding primarily to satisfaction of aspirations for greater material gain. Their advantage is that the existence of this more conscious critical mass will give them a longer trial period to show economic viability and greater capability to ride through the difficulties that are likely to occur at the end of this crop year when many farms will not show substantial, if any, profits. The lower level of co-op consciousness at the Frome farms and the two other Bernard Lodge farms may well be adequately counterbalanced by their stronger economic position so that the difficulties even here are likely to be manageable with strong leadership.

TABLE XII: Perceptions of Beneficial Changes

	Worker unity, power, etc.	Material benefits
Frome	%	%
Barham	25	75
Georges Plain	30	70
Frome	33	66
Bernard Lodge		
Windsor	57	43
Half-Way-Tree	20	80
Salt Pond	25	75
Monymusk		
Morelands	52	48
Hillside	27	73
Bog	55	45
Salt Savannah	57	43

3(c). Behaviour and attitude changes

The final area we attempted to examine involved the following aspects of attitude and behaviour changes which we saw as vital in the transition of the co-operators from wage proletarians to own-account farmers:

1. Interest in capital accumulation at the expense of maximising short-run take-home pay so as to plough back profits into the enterprise to make it financially viable as a business venture.
2. The development of a sense of individual management responsibilities for the running of the farms over and above responsibilities for specific job tasks for which wage payments were received.
3. The development of a belief in the democratic authority structure as a source of conflict resolution rather than total reliance on the authority of the staff through the Project Manager who symbolises the traditional 'busha' authority of the old estate system.
4. A shift from trade union loyalties to total co-op loyalties which would pass over the functions performed by the trade union to structures within the co-op movement to consolidate the transition from mere workers to own-account farmers.
5. Willingness to stick with the co-ops even if they did not prove to be immediately profitable in the short run.

It is conceded first of all that these represent only a sampling of areas of attitude and behaviour changes involved in this process. Further, that in this transition period these changes are not likely to have fully matured as the process of change is a long-term one. Finally, that given the relatively advanced age of most of the co-operators and their long work experience and socialisation under the estate system (that in most cases exceeds twenty years), the re-socialisation process is likely to be only partial in most cases.

Quite apart from these reservations about the rate and level of likely *attitude* and behaviour changes, it is questionable whether the co-ops can in fact remove substantially or entirely the proletarian consciousness of the labour force by giving it owner status because of the primacy of wage labour and take-home pay as against profits in the likely total annual income of the average co-operator. In other words, until the individual profit share begins to exceed wage payments in the total annual income of the co-operators, proletarian wage consciousness will take precedence over co-op consciousness where the level and quality of the co-op commitment is not very advanced overall as has been shown earlier. This view cannot be tested in this early transition period but it is a perspective which must be examined against later evidence of long-run attitude and behaviour change when the co-op structures have begun to mature and consolidate. In other words, it advances a somewhat pessimistic view of the possibilities of attitude and behaviour changes by implying that the most that can be expected in the long run is a more democratic worker-controlled management structure that humanises the estate system but stops short of converting proletarians fully into own-account farmers.

In exploring the interest in supporting capital accumulation at the expense of maximising short-run income, we asked co-operators to indicate what proportion of a hypothetical \$100,000 farm profit they would wish to plough back into the business and how much they would wish to distribute as profits. Some were aware of the statutory requirement to retain at least 20% of profits earned as undistributed profits under the statute governing the operation of the co-op. This issue and the responses have to be seen against the background of contentious conflicts and short strikes which have taken place at two of the pilot projects over the issue of how much of the profits earned should be distributed to the co-operators at Salt Pond and Morelands.

The responses were classified into two main groupings. These include firstly those who advocated retaining only the statutory requirement of 20% and less and paying out the balance, and secondly those who saw the need for retaining a larger proportion as undistributed profits. Those who fell into the first category tended to support a 20-per-cent profit retention in the majority of cases, but with a substantial minority advocating that all profits should be paid out. Those who advocated a higher level of profit retention supported mainly a fifty-fifty ratio between undistributed and distributed profits.

TABLE XIII: Attitudes to Co-op Accumulation

	Support for 20% statutory profit retention or less	Support for retention of more than 20% of profits
Frome	%	%
Barham	52	48
Georges Plain	55	45
Frome	44	56
Bernard Lodge		
Windsor	52	48
Half-Way-Tree	51	49
Salt Pond	66	34
Monymusk		
Morelands	64	36
Hillside	49	51
Bog	65	35
Salt Savannah	48	52

The farm responses fall generally into two main groupings. These include three farms (including the two pilot projects mentioned earlier) where there is a majority in favour of the minimum permissible level of profit retention. The other farms all divide about evenly between the higher and lower levels of profit retention. Given this even distribution of opinion, there is no doubt that the group advocating a lower level of profit retention will prevail. So that in my view, the different

opinion break-downs are of little more than academic significance as a minimum profit retention position is likely to be the standard line adopted in profit distribution. This is quite consistent with the acute cash need of the co-operators given their large families, and is entirely understandable in the light of their low wage condition over the years. The larger implication is that there will be very little capital accumulation taking place even if the co-ops make money. This means that the prospects of developing financially viable independent co-ops will be difficult to achieve even if we can assume healthy future profit and loss positions. The aspiration to maximise short-run income, which is a function of the low-wage proletarian outlook of sugar labour, hardly provides a basis for willingness to let the profits grow and expand rather than to consume them. Additionally, there is deep distrust that unknown persons will steal it anyhow, so the safest strategy is to distribute it to those whose labour produced it so that they can either invest it or put it to use raising their standard of living. It is not likely that mere educational efforts can change these attitudes. If the level of profit accumulation is to be reasonably high it will have to be done by non-voluntary means.

Only a minority of the co-operators on most farms view their role on the respective farms as involving more than simply doing a job for wage-payments. On the farms of somewhat more developed levels of co-op consciousness (Salt Savannah, Windsor, Bog, Morelands), the proportions who reflect this sentiment are higher than on the other farms and represent a significant critical mass of more advanced co-operators. This sense of wider responsibilities will of course grow as the co-ops mature, but the low level found at one of the pilot projects (Salt Pond) indicates that it needs to be stimulated by adequate continuing educational efforts.

TABLE XIV: Co-operators' Awareness of Wider Management Responsibilities

	Those conscious of overall responsibilities beyond job tasks
Frome	%
Barham	30
Georges Plain	32
Frome	33
Bernard Lodge	
Windsor	44
Half-Way-Tree	33
Salt Pond	18
Monymusk	
Morelands	45
Hillside	13
Bog	40
Salt Savannah	45

In the main, those who felt this wider sense of responsibility saw it largely in terms of the prevention of stock damage to crops, and in reducing the wastage of cane, and to a much lesser degree in their role as watchdogs over the general operations of the farms. While all the co-operators are concerned about their individual financial stake in the farm, given the fact that they had to invest 50% of the severance in the farm co-ops, it is mainly these more advanced minorities who identify with the overall worker management of the farms and seem willing to undertake tasks outside of normal job responsibilities based on the well-developed division of labour on the estates. A necessary factor in the development of this sense of wider responsibilities is greater flexibility in the division of labour which will encourage co-operators to perform a wider range of job tasks.

In attempting to establish a crude indicator of the break-down of reliance on 'busha authoritarianism', we asked the co-operators to respond to a hypothetical problem situation where some of their membership were found not to be pulling their weight on the farm. They were asked to indicate how they thought the problem should be handled. We interpreted responses which posed solutions

requiring action by the general farm co-op body or by the elected managing committee as both representing beliefs in the democratic authority structure, while those responses advocating action by the Project Manager as indicating reliance on the traditional authority of the 'busha'. A third category of response included those which suggested individual action by members rather than either collective action through the co-op farm meeting or action by the staff and elected farm authorities. These we interpreted as reflecting a belief in informal and individualistic methods of conflict resolution, which also signals a break from 'busha authoritarianism'.

TABLE XV: Attitudes Towards Means of Conflict Resolution

	Support for re- solution by Project Manager	Support for re- solution by Managing Commit- tee or co-op meeting	Support for informal/ individualistic action
Frome	%	%	%
Barham	10	25	55
Georges Plain	25	40	35
Frome	22	38	40
Bernard Lodge			
Windsor	21	74	4
Half-Way-Tree	20	61	10
Salt Pond	23	60	13
Monymusk			
Morelands	16	60	18
Hillside	16	61	19
Bog	22	70	7
Salt Savannah	10	85	4

With the exception of the Frome, Georges Plain and Barham farms at Frome, the responses follow a fairly uniform pattern in that upwards of two-thirds of the co-operators support conflict resolution by the newly created democratic structures. As was found in most other qualitative measures of co-operative tendencies, the highest level of support for more democratic forms of conflict resolution was found at the Windsor, Bog and Salt Savannah SWCC-affiliated farms. On all the farms, Project Manager initiative as a response to the hypothetical problem was advocated by only a small minority of the co-operators. When this is seen against the background of the earlier data on strong farm-level support for the Project Managers, it is clear that there is a very healthy level of support for the democratic structures, which indicates an erosion of support for the authoritarian estate management traditions.

Interestingly, the three co-op farms at Frome all reveal a strong preference for informal/individualistic approaches to problem-solving and a consistently weaker tendency (than the more proletarian Monymusk and Bernard Lodge farms) towards the more collectivist methods of conflict resolution. The reason may of course lie in the stronger small-peasant social influence at Frome. Although the direction of democratic tendencies varies from that on the other two estates, there is a similar majority tendency away from reliance on 'busha authority'.

Trade unionism has provided over the years the main organisational defence of sugar workers' interests. There have been forty years of union militancy and struggle against a condition of low wages, uncertain and seasonal income, and exposure to a casual labour status of work recruitment and the paternalism that it entails. Such a tradition cannot be expected to die immediately on the change of status from workers to worker-co-operators. Ideally, the co-operators should shift their loyalties to the new co-op movement, the SWCC, but this raises a number of questions. First of all, to the extent that a trade union function of grievance representation was performed over the years, a decline in union loyalties will require some mechanism in the co-op movement which can replace

the union in such matters as co-op worker representation on issues involving individual and minority group grievances. In spite of the fact of establishing democratic worker-run management structures, management/worker conflicts will not disappear. While these should ideally be handled by grievance resolution methods within the co-op structure and movement, failure to develop these at the farm level will create a continued loyalty to the trade unions especially among the less co-op-conscious majority and among co-operators with little or no commitment to SWCC. Secondly, to the extent that trade union bargaining is continuing in the wider non-co-op areas of the sugar industry, co-operators will look to the trade unions to take the lead in determining wage increases. This could mean either continuing to pay union dues out of recognition of the function the trade union is performing in this area or discontinuing the dues payments while still relying on the union-negotiated rates as the basis for wage payments on the co-op farms. This latter, while it removes the union presence from the farm as an organisational force, also simultaneously removes discretion from the co-ops in the determination of wage rates and the ratio between short-run wage payments and long-run profit accumulation.

With few exceptions, the majority of co-operators continue to pay union dues. We therefore attempted to determine the strength of union loyalties by ascertaining from the co-operators their views on why they continue to do so. The objective was to distinguish between those who desire to discontinue the dues because they see a contradiction between union representation and co-op membership; those who insist on continuing the union tie and loyalty in spite of co-op membership because they see an indefinitely continuing role for union representation; and those who have no strong feelings either way but continue to pay the dues out of sheer inertia, traditionalism and an absence of strong co-op loyalties.

TABLE XVI: Support for Trade Unionism

	Strong support for continuing trade union role	Dues payment based on traditionalism, inertia and lukewarm co-op commitment	Opposed to paying union dues
SWCC Co-op Farms			
Frome	%	%	%
Georges Plain	35	45	20
Frome	30	50	30
Bernard Lodge			
Windsor	40	46	14
Half-Way-Tree	41	49	10
Monymusk			
Bog	25	65	10
Salt Savannah	33	67	0

The three independent co-op farms which have been functioning as pilot projects since the last crop year have all taken a clear position on the trade union question. Both Morelands and Salt Pond have decided to continue the payment of union dues, while Barham has discontinued such dues payments. At Barham, however, the overwhelming rank-and-file co-op view is that the trade-union-negotiated rates will continue to provide the basis for wage payments on the farm. Generally, the strength of trade union loyalties was found to be very high at the other three independent co-op farms (Morelands, Hillside and Salt Pond). In each case at least 60% of the co-operators saw a continuing role for the trade union in co-op worker representation. Clearly, the absence of SWCC influence on these farms has allowed the residue of unionism to remain at a very high level. It is not surprising that these sentiments are weaker at the more small-peasant-influenced Barham farm at Frome in contrast to the more proletarian-influenced farms at Monymusk and Bernard Lodge.

Table XVI sets out the distribution of union attitudes for the SWCC-affiliated farms. In all the Monymusk and Bernard Lodge farms, there is only a very small minority who expressed support for

discontinuing the payments of union dues consequent on co-op development. In the case of the two Frome farms (Georges Plain and Frome), the size of this minority approaches one-third of the farm co-op membership. This difference may be related to the small-peasant influences creating a somewhat more amenable reaction to the anti-union thrust of the SWCC. More important, however, is the fact that on all three estates there is a substantial proportion of strong union loyalists varying mainly between 30 and 40 per cent. An interesting difference emerges between the Bernard Lodge and Monymusk farms. The proportion of strong union loyalists at Bernard Lodge is roughly equal to those who continue to pay union dues without having very strong pro-union sentiments, while at Monymusk the strong union loyalists are outnumbered two to one by the pro-union traditionalists. Frome falls somewhere in between these two patterns with traditionalists slightly outnumbering the strong loyalists.

The overall pattern when weighed against the earlier data on SWCC support points to a dual trade union-SWCC loyalty pattern that is quite understandable in this transitional period. The SWCC has brought tangible benefits but over the years the unions have served the workers and there is reluctance to sever ties with the latter in the short run. The findings seriously question the ability of the SWCC to establish a monopoly over the loyalties of the rank-and-file co-operators in the short run. The long-run possibility of a majority break with the unions hinges on three vital factors. Firstly, strong farm-level grievance mechanisms must be developed. Secondly, these grievance mechanisms should link with a farm-level SWCC branch structure that is not controlled by the elected farm leaders charged with management functions. In other words, a dual pattern of farm leadership must be developed at the local level. Thirdly, the farms will have to demonstrate a level of profitability that enables them to exceed in their dividend and profit payments from year to year the bonus payments negotiated by the trade unions with sugar producers and cane farmers. In other words, the co-operators must be convinced over time that co-op membership places them in a better economic situation than workers who are not in co-ops and relying entirely on union representation. In the event that co-operators perceive a net loss of comparative annual income *vis-a-vis* the income earned by unionised workers not in co-ops, there will be a resurgence of union loyalties that will push the traditionalists into support of the strong pro-unionists.

Clearly, at the present time a situation of divided loyalties prevails, and the future direction of change could either be towards what has happened at Barham where union membership has ceased or towards the more explicitly pro-union commitment of the Salt Pond co-operators. The ambivalence will continue on most farms until the economic realities of the co-ops become somewhat clearer. The decline of proletarian unionism will depend very largely on the demonstrated economic advantages of the co-op farms over the next crop year at least. In any event, it is the trade unions who will determine through their annual negotiations the level of wage payments and increases on the farms. Continued unionism will limit the growth to full co-op development, but this process can be arrested if demonstrated economic viability is accompanied by a strengthening of the SWCC structure at the farm level of organisation.

The essence of the economic rationale for co-op development is the aspiration towards increasing income through profit-sharing. Where, as in this case, materialist motivations outweigh non-materialist behavioural stimuli, success or failure in the short run will hinge on profitability. Precisely what constitutes the short run in the calculus of the co-operators becomes critical as it determines the length of the trial period over which patience and endurance will survive short-run failures to deliver expected profit-sharing benefits. Of equal importance are the co-operators' expectations that the enterprise should and can be made profitable. Where these expectations are weak there will be a higher tolerance level of short-run lack of profitability. But where these expectations are strong short-run failures will exacerbate distrust and generate withdrawal of investments.

It will be observed from Table XVII that although the pilot projects made substantial profits last crop year only a minority of the co-operators on these farms have very confident expectations of profits this year. This expectation level would suggest that failure to realise substantial dividend payments this crop year will not excite a high level of alienation towards the farm leadership. A

similar situation appears to hold for the co-op farms at Frome where there seems to be a sense of realism that this may not be a very good year. This has to be seen against the projections that profitability is not likely to be high this year due to a number of factors. The profit expectation level is quite high at both SWCC Bernard Lodge farms. This speaks ominously of increased levels of stress on the farm leadership if the projections about low profitability for this year's crop prove to be correct. Only Bog at Monymusk has a very high profit expectation level as opinion divides almost evenly on the other three farms. In view of the level of profit expectation, it would be advisable if realistic projections on a farm-by-farm basis were made by the SWCC to prepare co-operators for the likely realities so as to reduce disillusionment and consequent increased stress and distrust at the end of the crop. This is especially necessary on those farms where profit expectation levels are high. This will also be important in informing co-operators on the differential potential profitability of the individual farms which can in the absence of adequate information cause problems among co-operators accustomed as they are through trade unionism to derive standardised income benefits as negotiated with the sugar producers.

TABLE XVII: Profit expectations for Current Crop Year

	Co-operators confident that farm will make profit
Frome	%
Barham	35
Georges Plain	40
Frome	38
Bernard Lodge	
Windsor	71
Half-Way-Tree	77
Salt Pond	42
Monymusk	
Morelands	45
Hillside	48
Bog	78
Salt Savannah	45

The co-operators were asked whether they would leave the co-op or stay in the hope of future profits should their particular farms fail to show profits this year. The responses are quite encouraging as they indicated on eight of the ten farms an 85 to 95 per cent willingness to wait and see what happens after this crop year regardless of how it turns out. This is in spite of the fact that the majority of co-operators accept the view that but for the stealing over the years and the taking out of the profits by the estate owners, all these farms should be able to make money. This tendency has been greatly aided by SWCC propaganda that the co-ops were guaranteed successes likely to yield literally a gold mine of profits in the short run. Only the Hillside and Half-Way-Tree farms show a significant minority (26 and 28 per cent respectively) who express intentions to pull out their money if no profits are made this year. These findings should not be interpreted to mean that serious questions will not be asked as to why expected profit levels have not been realised in the event that this occurs. What the responses mean is that the stresses that will inevitably arise on farms where the profit and loss position is not very favourable at the end of the current crop can be handled by effective leadership that prepares the rank and file for likely developments in the financial areas of the enterprise at the end of the crop. The data clearly suggest that the short-run expectations of profit-sharing extend over a period that goes beyond the current crop year. While the majority of co-operators have a very tentative commitment to the co-ops, viewing them as experiments that may work, the level of co-op mobilisation that has occurred has secured a trial period of up to at least the end of the forthcoming crop year to demonstrate economic viability. This opportunity should be grasped to undertake a careful assessment of the economic state of each farm co-op during the dead season to prepare production and cost control plans as well as demands for revenue

assistance (in the case of the Monymusk farms with high irrigation costs) to ensure optimal economic health for the next crop year which could be the year of real challenge to the viability of the entire exercise.

Economic failure in my view would lead to withdrawal of co-operators' deposit investments and lead to a return to state-owned farms which would retain the features of the democratic management structure. In effect, while these socio-political factors discussed earlier are vital for the consolidation and full development of the co-ops, it is the economic success that will determine whether the co-op worker ownership structure survives.

Conclusion

This survey has attempted to review the present state of the sugar co-ops in their present transitional phase at an early point in the process of co-op development on the Monymusk, Frome and Bernard Lodge estates. The findings point to important areas of strength in participation and leadership patterns and areas of fragility and weakness in co-op motivation and commitment. While educational efforts will be crucial to consolidating these gains and reducing these areas of weakness, the success of these efforts is seen as contingent on a minimal demonstration of economic viability at the end of the forthcoming crop year. In the final analysis full co-op development must be seen as a long-term process, but the more the socio-political aspects are advanced the more it will be possible to extend the trial period over which the challenge of economic viability can be tested.

CARL STONE

Chapter 13

TOWARDS A MODEL OF WORKERS' PARTICIPATION IN JAMAICA

A. CAPITALISM, SOCIALISM AND INDUSTRIAL DEMOCRACY

Any consideration of workers' participation in industry or its extension—industrial democracy—necessarily involves a preliminary discussion of the antagonisms within capitalism and the possibilities for industrial democracy under socialism.

The two major contradictions within the capitalist system stem from the pattern of ownership, the nature of the organisation at the workplace, the objective antagonisms between labour and capital (workers and the bourgeoisie), and the manner in which the surplus value is distributed. Within this struggle between the conflicting classes, however, lies the source of human progress. Thus, while the expropriation of the workers' surplus value remains private, it takes place under an increasingly socialised system of production. So while capitalism is obliged to base itself increasingly on workers' capacity for self-organisation, it at the same time erects an industrial structure which excludes workers from real and meaningful participation. Accordingly, the system necessarily engenders opposition as the workers struggle not only to enjoy the fruits of their labour but also to participate in or control the decision-making apparatus in industry. In short, therefore, the capitalist system provides the basis for the coming together of workers yet seeks to keep them apart; it depends on their collective creativity for survival but excludes them from the bounty of their creativity; it relies on their capacity for self-organisation but precludes their participation in the making of central decisions in industry. As the workers struggle to overcome the burdens of the system, society progresses.

Given the foregoing analysis, it is clear that the demands by Jamaican workers and their counterparts internationally for a measure of industrial democracy could be traced to the fundamental contradictions in capitalist society. Indeed, it is argued that real industrial democracy is possible only within a scientific socialist context where the means of production, distribution and exchange are all communally owned.

Dialectically, workers' participation in capitalist enterprises is both a **component** of capitalism to the extent that it grew out of capitalism and in **opposition** to capitalism in that it advocates interests which are objectively opposed to capital. It is within this context that one perceives not only the possibilities and limitations of workers' participation but also the ambivalence, the equivocation of both workers and employers to workers' participation. To break out of the conflicting pull of the dialectical forces, workers seek greater participation and employers less because of the different objective class interests which they represent.

At the minimum, workers' participation refers to some marginal involvement of workers or their representatives in managerial decision-making which hitherto was the preserve of employers or their representatives. In this regard, the joint consultative committee or works committees which predated collective bargaining in Jamaica could be seen as the lowest form of organised worker participation. "Unorganised" workers' participation in industry, of course, has taken place throughout the history of capitalism not only by the workers performing their task but by being involved in *ad hoc* decision-making at the workplace. Currently in Jamaica workers participate in industry in an organised manner through collective bargaining or joint industrial councils concerned with the laying down of regulations covering wages and conditions of work.

To many bourgeois ideologists collective bargaining represents the essence of industrial democracy. They maintain that trade unions, left to perform their traditional functions, are vital for the **continuation** of industrial democracy and thus should not be incorporated into management structures. H. A. Clegg for example, in *A New Approach to Industrial Democracy*, argues that:

"In all the stable democracies there is a system of industrial relations which can fairly be

called the industrial parallel of political democracy . . . It promotes the interest and protects the rights of workers in industry by means of collective bargaining . . . this would be called a system of **industrial democracy by consent, or pressure group industrial democracy, or democracy through collective bargaining.**" (His emphasis, p. 131.)

Further, he suggests that because trade unions through collective bargaining provide opposition and "if the essence of democracy is **opposition**, then changes in **management** cannot be of primary importance to industrial democracy." (4, p. 29.)

Such positions are easily rebutted by pointing out firstly that only by ingenious definitions (of the Humpty Dumpty variety) can it be said that collective bargaining equals industrial democracy. Secondly, it needs to be stressed that the essence of democracy is not opposition but instead relates to the ownership of resources, changes in "ruling" teams in industry, and accountability. Opposition is important only as a means of making accountability effective. In fact, it is not the only and most effective way to ensure accountability. The logic of Clegg's argument is that trade unions are a permanent "opposition", should remain so and never form a "government" in industry. It is such a formulation which ensures the maintenance of the permanent hegemony of a few—the owners or managers instead of the majority workers who after all are the producers of wealth.

Thus, what many bourgeois theoreticians hold as "industrial democracy" is merely the minimum of workers' participation. Industrial democracy, in its purest and most ideal sense, means workers' control or self-management. This presumes common ownership of resources and transcends the realm of private property. In the words of the German socialist Thalheimer it means "the control over production (which) signifies the management of industries by the workers." Such a concept envisages the destruction of a class-ridden society and the construction of a socialist one. Between the minimum and the maximum (ideal) formulation of workers' participation lies a huge area where the clashes between employers and workers would, in the main, take place until the structural conditions for the ideal become realizable.

The struggle for workers' participation therefore involves the positing of the goal of industrial democracy. It takes central recognition of the fact that all forms of "participation" so far in Jamaica have been on terms laid down by capital, within the interest of capital but nevertheless containing within them the seeds of the destruction of capitalist interests. As such; therefore, the work-people must not so much **turn back** the frontiers of capital—for that implies retrogression—but must seek to transcend the boundaries of capital. In so doing we must keep in mind the four principles which justify workers' participation: (1) the extension of the individual's human rights at the workplace; (2) extending and consolidating social and political freedom; (3) the establishment of a new and humane system of industrial relations; and (4) the need to extend public ownership and control over the means of production, distribution and exchange within the interest of the workers' own humanization. The struggle thus involves both democratic and scientific socialist imperatives.

Because of the different levels of workers' participation in industry throughout the world, it seems possible to place collective bargaining under capitalism and full industrial democracy under socialism as polar opposites along a continuum of worker participation/industrial democracy. In arriving at an appropriate model for Jamaica it seems necessary therefore to examine a sample of other systems of workers' participation in addition to taking our local circumstances into account.

B. A REVIEW OF SOME SYSTEMS OF WORKERS' PARTICIPATION/INDUSTRIAL DEMOCRACY

The most interesting experiments in worker participation/industrial democracy have been going on in the Federal Republic of Germany (West Germany), Sweden, Yugoslavia and Poland. While experiences elsewhere should not be ignored, these merit closer examination.

1. West Germany

In West Germany, the codetermination system of joint participation in management provides for equal or minority representation of workers on supervisory boards of undertakings with a neutral chairman. In addition, the law stipulates that in the iron, coal and steel industries a Labour Director

be appointed to the Management Board. It should be noted that in West Germany a two-tier system of management obtains: (1) the Supervisory Board which is elected by the shareholders' assembly and in which general policy guidance and supervision are vested; and (2) the Management Board consisting of three directors selected by the Supervisory Board and in whom executive responsibility rests.

Under the provisions of the 1952 Plant Constitution Act, the workers appoint 1/3 of the membership of the Supervisory Board in all public or private companies except firms owned by one man or small family concerns employing under 500 workers. The workers' representatives are elected by direct, secret ballot by all employees of the company. An effort is usually made to ensure that different categories of workers are adequately represented (e.g. manual vs. professional).

In the iron, coal and steel industries of over 1,000 workers, there is equal representation between workers and shareholders on the Supervisory Board with one independent member appointed jointly. The trade union and Works Council in the company elect members to the Supervisory Board with the former possessing considerable influence. In these industries there is one Labour Director—the workers' appointee usually from a trade union slate—on the Management Board who is in charge of all labour and personnel matters and is a full director in other respects.

What are the lessons, limitations and possibilities of the German experience 1951-1974? They are as follows:

- (i) The Biendenkopf Commission, a government-appointed group of experts which reported in 1970, was "more impressed with the pacifying effects which codetermination had on organised labour than by the sense of participation which it imparted to individual employees." (9, p. 56)
- (ii) Collusion existed between the Management Board and the Works Council against the Supervisory Board.
- (iii) The Labour Director was subject to divided loyalties.
- (iv) Information provided to the workers by the company was generally inadequate.
- (v) Alienation arose between workers' representatives and their constituencies. Under the system there is no provision for recall of representatives and there are insufficient constraints on their continued re-election.
- (vi) The trade unions have argued that the iron, coal and steel model should be extended to other enterprises. This reflects the dissatisfaction of the unions with the existing machinery in much of the private sector. There is much resistance from the employers for such extension since they wish to retain the 2/3 majority on the Supervisory Boards.
- (vii) The trade unions, as a result, have called for (a) more trade union influence in the plants; (b) better job protection for workers; (c) better information to workers from companies.
- (viii) The Government, in view of the above, has drafted legislation to be enacted this year, which represents a compromise between different sections of industry.
- (ix) **Final comment on German Model:** While it has provided the workers a measure of participation, its effects have been minimal. On balance the workers seem to have traded the bone of union militancy for the shadow of workers' participation.

2. Sweden

Although the debate on industrial democracy has been taking place in Sweden since the early 1920s, it was not until 1946 that the S.A.F. (Swedish Employers' Federation) signed separate Works Council Agreements with the L.O. (Confederation of Swedish Trade Unions) and T.C.O. (Central Organisation of Salaried Employees). The Agreement was valid for those industries where at least 50% of the workers were organised and a majority had voted for the agreement.

The membership of the Works Council is determined by the size of the work force and the proportion of one category of worker to another (manual and professional). The members are chosen for two-year terms by only those members of the unions who signed the agreement. Union

officials are also members of the works council. Only firms with 25 or *more* workers—50 by the 1958 amendment—have Works Councils. Firms with fewer workers may have *two* workers' representatives to meet with management to discuss a range of matters which would have been handled by works councils.

Works Councils are primarily concerned with improved production and worker security but on these issues management is the final arbiter. Other areas covered are: (i) the receipt and dissemination of information from management; however, this information has often been inadequate and in a form not easily comprehensible; (ii) discussion about economic, technical and financial data relating to the company. It is clear, therefore, that the negotiating and decision-making powers of the works councils are negligible. To a large extent both the unions (not the workers) and employers wanted it that way but for different reasons—the former because of the desire not to have a rival organisation and the latter because they wanted to retain what they considered to be their prerogatives.

From the standpoint of the workers the functioning of the Works Council left much to be desired and thus they began to agitate for meaningful industrial democracy. Among major criticisms were:

1. The area of responsibility given to the councils was considered to be too limited.
2. Management was often unenlightened especially in the smaller firms.
3. The works councils met infrequently.
4. Information passed on by management was often too limited and incomprehensible. (In this regard management was reluctant to provide adequate information lest it be used against it in negotiations by the union or be passed on to a competitor.)

Due to the inadequacy of the Works Council system as established by the 1946 Agreement and its amendments, the union took the lead in the 1960s to press for a greater measure of workers' participation. Although in 1961 the L.O. Committee Report on Industrial Democracy stressed that unions should not surrender their traditional task of defending workers against management, it suggested reforms for the improvement of the Works Council system. The main areas of reform covered:

1. The necessity of making public annual reports extend to all firms not hitherto obliged to do so.
2. The importance of referring to workers, before announcement, any decisions relating to production.
3. The need to improve the type of information relayed to the councils by management and to ensure its proper dissemination.
4. The need for greater involvement by Works Councils in personnel matters, the expansion or contraction of the firm and mergers or takeovers.

By 1965 the L.O. had enlarged upon these demands by emphasising the need for equality of the Works Council and other administrative arms of the firm and for veto power in personnel matters. A year later (1966), both the S.A.F. and L.O. reached agreement on some changes in the Works Council system. The major changes related to:

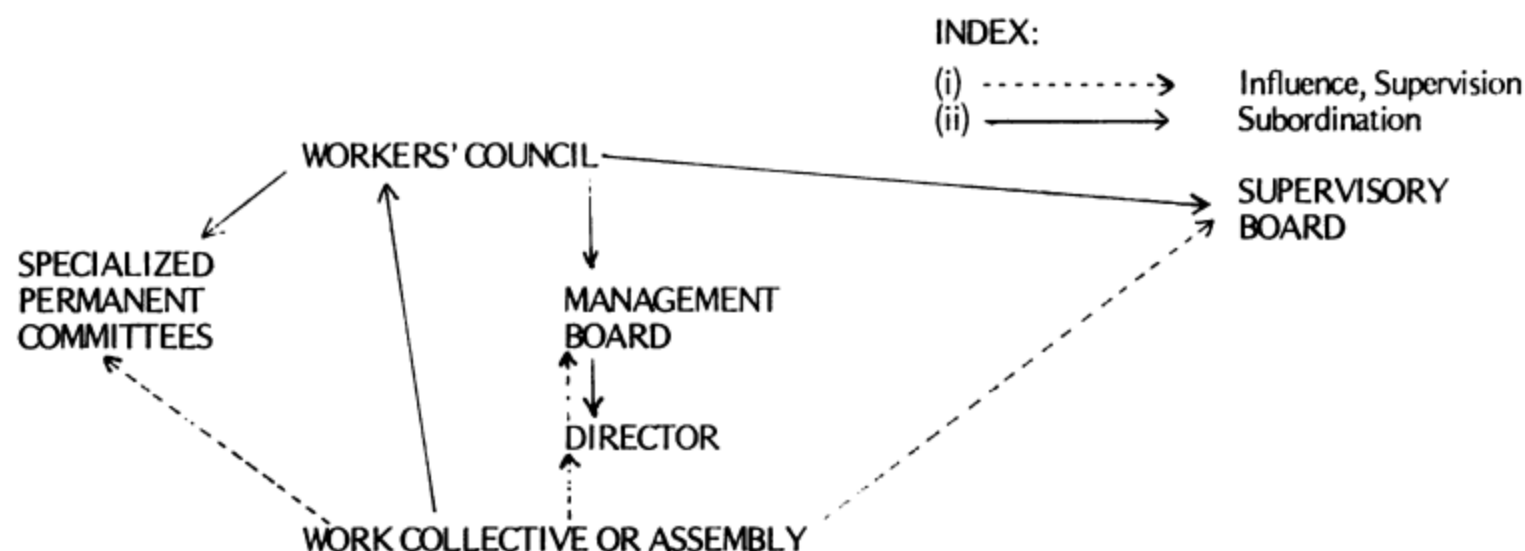
1. Streamlining the operations of the Works Councils.
2. Enlarging the responsibilities of the Works Councils as regards personnel especially in evaluating information concerning the principles and methods for recruitment, selection and promotion.
3. Providing more safeguards in relation to industrial safety; the provision of a Research and Training Council and an improvement in information flow from management.
4. Improving the whole area of production suggestions and awards thereto.

These reforms fell far below the demands of the L.O. in 1965 (See Appendix 1) and accordingly the unions are insisting on further changes so as to make worker participation more meaningful.

3. Yugoslavia

The Yugoslav model represents one of the most advanced forms of industrial democracy or workers' management in the world today. The system evolved from the early 1950s and by 1963 it had become so widely accepted that the principle of workers' self-management was entrenched in the country's constitution.

The four principal organs of the workers' self-management system are: (i) the work collective or assembly; (ii) the workers' council; (iii) the management board; and (iv) the general director. Subsidiary organs include specialized permanent committees and a supervisory board.



The basic unit of the structure is the **work collective or assembly**. It manages the enterprise directly and through its elected representative bodies the workers' council, the management board and the director. The work collective adopts production plans, determines plant regulations, establishes rules for the appointment of personnel, elects the workers' council and generally lays down guidelines for the operation of the enterprise. Meetings of the assembly, especially at the smaller plants, are convened frequently.

The **workers' council** is the supreme organ of management of the undertaking. It deals executive-ly with all fundamental matters relating to the enterprise. The council is a representative body comprising at least 15 and up to over 100 members who are elected by direct and secret ballot from the workers in their collective. No member of the council can be re-elected immediately after a two-year term. Elections are held annually for $\frac{1}{2}$ of the council so as to ensure a balance between continuity and turnover of membership. The workers' council meets at least once in six weeks and the president of the council is obliged to convene the meeting at the request of the management board, $\frac{1}{3}$ of the council members, the director and the trade union. Each worker has the right to attend a council meeting. A work collective of less than 30 members does not elect a workers' council but manages the enterprise directly.

The **management board**, which is elected by secret ballot at the first session of the workers' council from among the workers, is an executive committee of the workers' council which deals with the day-to-day matters and reports to the workers' council on general questions relating to the running of the undertaking. The mandate of the board lasts for one year and its members are not paid.

The **director** of the enterprise is a member of the work collective who is appointed after public advertisement by the workers' council. Half of the members of the selection committee are appointed by the local authority. The director has a four-year term which is renewable.

The **specialized permanent committees** deal with specific matters within their terms of reference.

The **supervisory board** has no executive power but oversees the legality and consistency of the actions and decisions of management. It reports to the workers' council for corrective action.

In addition to these bodies the workers at the plant level and the trade *union* organization exercise influence constantly at different levels of the management structure.

The success of the Yugoslav model has been remarkable in terms of the level of workers' involvement and, as Bilandzic¹ emphasizes, from the standpoint of its contribution to the efficiency and growth of production. Nevertheless, it should be noted that the Yugoslav experiment suffers somewhat from the fact that the director and the management board exercise a preponderant influence in decision-making.

4. Poland

The Polish model is in many respects similar to the Yugoslav one except that the Polish United Workers Party has a major role in the running of the enterprises. The workers' self-management conference, for example, comprises not only members of the workers' council but also representatives from the party, trade union and youth organizations. In addition, the director is appointed by the state. He is, as Edward Marek² of the Central Council of Polish Trade Unions points out, the plenipotentiary of the state and has veto powers on proposals coming from the workers' self-management conference. The system is more centralized than the Yugoslav one and the prominent role of the party is justified in terms of the vanguard role which it has in Leninist theory. The Polish workers' council increasingly plays a major role in the drawing up and evaluation of production plans for the national plan.

5. Other systems

In other countries we find variations of worker participation schemes as follows:

- (i) Austria (consultation through monthly meetings)
- (ii) France (token representations and some profit-sharing)
- (iii) Norway (contact meetings)
- (iv) Cuba (production committees towards workers' democracy)
- (v) Britain (minimal representation in nationalised industries; consultation generally).

Generally, it could be said that socialist countries tend to make a greater effort towards worker participation than capitalist ones.

C. THE JAMAICAN MODEL

In considering a model for workers' participation/industrial democracy in Jamaica two sets of factors must be borne in mind. First, a set of general principles must be enunciated to guide whatever proposals are put forward. Secondly, some specific considerations pertinent to the actual model must be taken into account.

1. General Principles for Guiding Workers' Participation

These major principles are as follows:

- (a) The right of the worker to information in an easily comprehensible form as regards financial management, personnel, production, conditions of work and welfare, expansion or contraction of the undertaking, mergers, takeovers and sales, etc.
- (b) Full participation: this may range from consultation to joint decision-making depending on the issues at stake. Workers must have a say in decisions relating to the economic, social, financial and personnel policies of the enterprise.
- (c) Workers and trade union representatives must have equal representation with management in decision-making bodies. Participation should not seek to reduce trade union influence yet it should stress involvement of the ordinary worker.
- (d) Participation should strive to increase workers' material benefits either through wages, bonuses, dividends or a social fund.
- (e) The aim of participation should be to usher in full industrial democracy.

These principles are self-explanatory and need no further discussion.

2. Considerations Specific to the Model Itself

These are as follows:

- (a) The capitalist nature of the Jamaican economy.
- (b) The size of production enterprises. (This includes civil service, local government, teaching institutions, health service, etc., in addition to industry and agriculture.)
- (c) The pattern of ownership of the enterprise: whether public or private.
- (d) The level of participatory awareness of the workers and managers, especially the former.
- (e) The extent, if any, of antagonism to advanced proposals for industrial democracy by the trade unions.

Because the Jamaican economy is fundamentally a capitalist one it should be made clear at the outset that unless there is a structural change in the membership patterns and production relations the effect of workers' participation will be limited. To be sure, a measure of workers' participation could contribute towards marginal changes to the existing system but for real change to take place a genuine socialist transformation which goes beyond mere worker participation must be carried out.

It seems that in the **transitional period** proposals for worker participation must differ depending upon whether the enterprise concerned is privately or publicly owned, among other things.

In so far as trade unions may not wish to allow workers—as distinct from union representatives—to exercise authority in a competing sphere of activity in industry, a number of questions arise which may affect workers' participation. The first is that a proper role must be found for trade unions so as to ensure that they are not emasculated by their members in their role as worker participants. After all, despite the limitations of trade unions and the weaknesses and undemocratic nature of union bureaucracies, trade unions in capitalist societies remain the major defenders of workers' rights and interests against management. Thus one must guard against trading off effective unionism for the shadow of workers' participation in the capitalist enterprise. Nevertheless, one must equally make certain that union bureaucracies do not become so entrenched in workers' participation schemes as to restrict the participation of the ordinary workers. Accordingly, a balance must be found between these two forces.

Allied to this is the level of awareness for participation of the worker. My own experience and research indicate that not only are the workers eager to participate in the running of the enterprise

TABLE 1: EMPLOYMENT IN FACTORIES IN THE MANUFACTURING INDUSTRY, 1972

Parish	Number of Factories Registered	Number of Persons Employed	Average Employment per Factory
Kingston	302	11,064	36.6
St. Andrew	391	18,779	48
St. Thomas	33	1,825	55.3
Portland	24	240	10
St. Mary	37	1,423	38.4
St. Ann	47	456	9.7
Trelawny	26	797	30.6
St. James	59	1,089	18.5
Hanover	14	516	36.8
Westmoreland	46	1,315	28.5
St. Elizabeth	13	478	36.7
Manchester	28	498	17.8
Clarendon	49	3,113	63.3
St. Catherine	89	7,373	82.8
TOTAL	1,158	48,965	42.2

Source: Statistical Abstract, 1974 (Jamaica), p. 42.

in which they work but they are competent to do so despite a high level of illiteracy among them.

There is no doubt that the workers possess extraordinary self-organizing capacities and an abundance of common sense. In more technical matters, their trade union or other advisers could be immensely helpful. Moreover, programmes for educational advancement of the workers could be devised as a critical aspect of the worker participation package so as to enable them to comprehend, assimilate and make judgments on information much more easily.

Further, any model for workers' participation in Jamaica must recognise that most enterprises in the country are small. In the manufacturing industry, for example, the average work force per factory is forty-two. While this figure may be higher in some administrative, health and teaching enterprises, the factor of small size remains an important one and must be reflected in the structures proposed.

3. The Model: Private Enterprise (Firms over 20 Workers)

The Structure Itself

A management structure consisting of four principal organs should be established. These are: (i) workers' assembly; (ii) supervisory board; (iii) board of directors; (iv) managing director.

Workers' Assembly

The workers' assembly would consist of all those working in the enterprise from the most lowly paid worker to the professionals who do not normally form part of the management. The workers' assembly would lay down principles for the recruitment, promotion, payment and dismissal of employees. It would have a veto power over any mergers, sale or takeover of the enterprise. It must be consulted prior to any changes in production techniques and before any contraction or expansion of production. Adequate and relevant information concerning all matters of fundamental importance must be relayed to the workers' assembly by management. All company accounts **must** be open for inspection by the workers' assembly.

The workers' assembly would meet at least once per month. It would elect its own executive at its first meeting. The executive members would not be eligible for re-election immediately after two-year terms. For undertakings employing between 20 and 50 workers, a union representative would be an *ex officio* member of the executive committee. Over 50, two union representatives. The primary role of the executive would be to liaise, on behalf of the workers' assembly, with other organs of management and also the Government, in relation to national planning.

Supervisory Board

A supervisory board consisting of equal representation of workers and management with a rotating chairman would be set up to supervise the running of the enterprise. Of the workers' representatives, two-thirds would be elected by direct, secret ballot for two-year terms with half elected each year. One-third of the workers' representatives would be from the trade union. Where more than one trade union represents the workers, the trade union representation would be shared between those trade unions.

In addition to its general supervisory function the supervisory board would be required to report to the appropriate government authority and to the workers' assembly any breaches of the company's obligations to the workers. Legislation would be enacted to penalize any company which is in breach of its obligations. In those areas where the workers' assembly has competence, the supervisory board would also initiate programmes for consideration by the board of directors or the workers' assembly.

Board of Directors and Managing Director

On the board of directors, the workers would have equal representation with management. The labour director or directors would be selected by the workers' assembly from a panel suggested by the workers' representatives on the supervisory board. One of the labour directors would be solely responsible for personnel matters in addition to his general duties. Where there is an odd number of

directors on a board, one of the directors would be selected jointly by the representatives of workers and shareholders on the supervisory board. The managing director, who would be the chief executive of the enterprise, would be selected by the shareholders in consultation with the workers' representatives on the supervisory board.

General

At the end of each year one half of the profits of the enterprise would be set aside for workers either to buy shares in the company or to go towards the building of low-cost housing for the workers or for community facilities such as day nurseries. No more than half of the workers' portion of profits should go to the Social Fund (housing, etc.) until the workers have substantial shares in the company. The workers' assembly would decide on the division of funds within that framework. The Social Fund of each enterprise should be pooled with those of other enterprises into a National Social Fund from which expenditure for the most urgent social needs of the workers could, in part, be met. A board would be established consisting of two workers' representatives from each parish to administer the Fund. Those representatives would be chosen for two-year terms from and by the workers' representatives on the supervisory boards. Workers who do not remain in employment long enough to benefit from the Fund would be given a bonus proportionate to their work effort. Houses built through the Fund would be paid for over time by the workers.

In non-commercial private enterprises such as private schools, clinics and hospitals alternative schemes to the Social Fund could be worked out if the Social Fund idea is not appropriate. These would include profit-sharing, bonuses and special projects for the benefit of workers.

Where private enterprise employs fewer than 20 workers, it should be run jointly by workers and employers in every important particular. Both workers and employer should arrive at some appropriate model of workers' participation in accordance with the principles enunciated earlier. The governmental authority which would be set up to oversee the participation schemes would ensure that the workers' interests were realizable under any such scheme devised.

4. The Model: Public Enterprise

It is suggested that in publicly-owned commercial enterprises, the Yugoslav model should be adopted with appropriate changes made for: (i) the size of the enterprises; (ii) more state involvement, initially; and (iii) more trade union representation. These undertakings would also participate in the National Social Fund.

Special worker participation schemes would be devised to fit the health services and educational institutions. In the latter, the students would also be adequately represented and in both, the local community. A democratization of these structures would be a critical consideration (for example, school boards would be elected rather than appointed). Having detailed other participatory schemes, it is not essential here to go into the specific ones for education, health, etc. Likewise, a model for enterprises which are partly owned by Government and partly by the private sector could be easily devised in accordance with the principles laid down above. In fact, the private enterprise model could apply here with an adaptation made for the role of the state.

FINAL COMMENT

It must be reiterated that only under conditions of socialism can worker participation become meaningful. So long as the regime of private property exists, workers' participation could only represent a small advance of workers' interests.

Finally, it is realized that our proposals here would involve major changes in the company law of Jamaica and accordingly, we urge that the committee bring prominently to the public notice the necessity for those changes. The bourgeoisie have a tendency to hold that bourgeois laws are sacrosanct and immutable. The public must not be so duped and should be told that all laws have a fundamental class basis.

RALPH E. GONSALVES

APPENDIX 1: The 1965 Demands by L.O. to S.A.F. on Works Councils

1. A text change so that it is clear that the works council is an organization or organ for information and consultation between management and the workers within the branch organization as well as within the enterprise. The Works Council Agreement should provide only the minimum rules for functioning and should be considered to go beyond this.

2. The works council should be considered as on equal level with other administrative organs in the firm. Information should be provided in such a way that the councils can consult and so influence the decisions of the firm.

3. The works councils should be consulted by the company board of directors prior to the time a decision is made—especially in such areas as investigating business expansion or contraction and the production and work methods changes.

4. The councils should be kept informed about the personnel policies of the firm in the following areas:

- (a) consultation in such areas as recruiting, selection, placement, promotion and skill training.
- (b) consultation for personnel budgeting and provided with personnel statistics about health, industrial sickness, accidents, turnovers, etc.
- (c) employees should have increased influence in promotions and transfers.
- (d) plant rules should be subject for agreement between the firm and local factory level union.

5. Works councils should be provided with the firm's economic information and forecast on a continuous basis and the information should be sufficiently broken down as to be understandable. All financial reports of the firm should be made public and use should be made of a better accounting system. Also, if business is sub-contracted out, the owner should give such economic information. Finally, the works council must be able to discuss economic information supplied with regard to extent, content and form.

6. The advice of the workers' representatives on the council should be provided in the minutes even if the council cannot come to an agreement on the issue in question.

7. The councils should have decision-making powers in certain areas such as social questions and the suggestion system.

8. Experts on either side should be heard by the council as long as either one of the parties so requests.

9. The councils should be extended so as to have a larger role in the influencing of management policy on certain essential questions. It is suggested that the works council be decentralized when called for and that agreement concerning the organization of the respective councils be made an issue of local bargaining.

10. Certain members of the works council should make up a sub-committee so as to deal with certain questions that may come up between the regular meetings.

11. The worker members of the council should be members of the trade union which has signed the works council agreement. The Club Chairman should automatically be made a member of the council with no need to take a vote in his case.

12. The other members of the works council on the workers' side and their substitutes should be elected by the local union in such a way as it decides and the term of service should also be determined by the local union.

13. Meetings of the works councils should be held on company time and the payment for such time should be twenty kroner.

14. The works councils should be able to determine the payments for approved suggestions.

15. There should be provision for an appeal of the decisions of the plant works councils to the branch committees.

16. The maximizing of payments in advance for the suggestion system should not be allowed.
17. It is suggested that change be made in the provisions for the worker delegates (in those firms with less than fifty employees).
18. The publicizing of the 1958 revisions (annotations) should be publicized as was agreed to at that time.
19. In order to insure regular and systematic discussion of questions by the works council a permanent council of joint consultation should be established similar to those existing in other areas as provided by the supplementary agreements to the Basic Agreement. Branch and sub-organizations should do likewise. Other questions to be handled by the councils should include at the branch level such topics as rationalization, new raw materials or types of technology, and production and distribution methods.
20. A joint committee or works council should also be established at the Confederation level similar to that found in the Joint Work Study Council.
21. The Branch Committee should exchange experiences, consider suggested improvements, and deal with such matters as education and training of works council members.

From: Petersen¹⁴ pp. 202-203.

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Chapter 14

WORKER PARTICIPATION IN INDUSTRY—A SURVEY OF WORKERS' OPINIONS

1. Introduction

Worker participation in decision-making in the private and public sectors of the Jamaican economy has tended to be channelled primarily through the trade union movement. This tradition of worker participation draws a sharp line of demarcation between the interests, responsibilities and powers of rank-and-file workers and top management and the owners whose property interests they represent. A recently announced commitment of the Jamaican government seeks to explore the possibility of broadening the scope of worker participation to include, among other things, participative management, share ownership, and worker representation at high levels of business policy formulation. These new dimensions of participation raise some fundamental issues concerning the desire, interest and preparedness of the Jamaican working class to redefine their relationship to the structure of power, ownership, and control in the private and public sectors of the economy. However these policies are conceived, their success and development depend very heavily on how they relate to the needs, aspirations, consciousness and motivations of the Jamaican workers. This study presents the results of a survey of workers' attitudes and opinions on a variety of issues related directly or indirectly to these new dimensions of worker participation.

The survey was carried out in July 1975 and was done by means of a questionnaire administered by university students to 489 workers located in 32 enterprises each employing at least 100 employees. The sample was drawn on a quota basis to include the following numbers and categories of personnel within each enterprise:

- 2 supervisors
- 2 influential workers (opinion leaders)
- 1 trade union delegate
- 10 workers

The objective was to obtain a spread of opinions that would reflect the perspectives of both informal and formal leadership at the lowest level of the hierarchy of occupations in the plant as well as those of the rank and file. While it is not assumed that this small sample necessarily achieves a precise representation of workers in each enterprise, the cumulative sample of workers drawn from some 11 sectors of the economy is expected to yield an accurate sampling of worker opinions both for large enterprises generally and for most sectors. One of the assumptions of this study which is supported by both the practical experience and relevant academic research in other countries is that the problems which extended worker participation seeks to address and the support for the various forms of worker participation are to be found mainly in large enterprises.

The following enterprises grouped according to these 11 sectors were included in the sample:

- | | |
|---------------------------------|-------------------------------|
| 1. Bauxite | 4. Tourism |
| (i) Reynolds | (i) Holiday Inn Hotel |
| (ii) Kaiser | (ii) Pegasus Hotel |
| 2. Sugar | (iii) Skyline Hotel |
| (i) Bernard Lodge Factory | 5. Banks |
| 3. Utilities | (i) Jamaica Citizens Bank |
| (i) J. P. S. Co. | (ii) First National City Bank |
| (ii) Jamaica Telephone Co. Ltd. | (iii) Workers' Bank |
| (iii) Water Commission | 6. Artisan Services |
| (iv) J. O. S. | (i) John Crook Ltd. |

7. **Artisan Production**

- (i) Stylaneze

8. **Distributive Trade (Private Sector)**

- (i) Bryden & Evelyn Ltd.
(ii) Courts (Ja.) Ltd.
(iii) Hardware & Lumber Ltd.
(iv) K. I. W. Hardware Ltd.
(v) Grace Kennedy & Co. (Cold Stores)
(vi) Grace Kennedy & Co. (Newport West)

9. **Industrial Manufacturing**

- (i) W. I. Glass Co. Ltd.
(ii) The Metal Box Co. of Jamaica
(iii) Caribbean Cement Co.
(iv) The Ariguanabo Co. of Jamaica
(v) Caribbean Steel

10. **Agro-Industry (Food and Drink)**

- (i) Coca-Cola Bottling Co. of Jamaica
(ii) Estate Industries Ltd.
(iii) Jamaica Flour Mills Ltd.
(iv) Desnoes & Geddes Ltd.
(v) National Continental Foods

11. **Distribution (Public Sector)**

- (i) A. M. C.

In keeping with the design of the sample, the data gathered in the survey will be presented on the basis of these sectors. Although the number of firms in each sector varies considerably, the distribution provides a large enough number of firms in most sectors to justify intra-sectoral comparisons especially between the industrial, agro-industrial, tourism, banking, distribution and public utilities sectors.

The study was made possible by funds provided by the Advisory Committee on Worker Participation set up by the government, of which the author is Deputy Chairman. Although the survey was designed to provide information to feed into the government's policy-making process, its wide implications and significance demand maximum publication to satisfy the needs of public education and discussion on this important subject.

The focus of the survey is concentrated on 3 distinct but inter-related areas. These include the workers' view of his or her immediate working environment and conditions and the structure and functioning of managerial authority at its various levels; the workers' conception of what aspects of the enterprise they would elect to change under a decision-making structure that allows them a determining voice; and the workers' opinions on and reactions to the various forms of extended worker participation, control and financial involvement in the respective enterprises studied. Implicit in this focus is the view that the relationship between the worker and his work environment defines both the limits and the possibilities of change that can be incorporated in these enterprises without in any way fundamentally altering their *modus operandi*. Alternatively, a less cautious approach to change that seeks to transform and fundamentally re-structure the management and control of enterprises in the public and private sectors must attempt to appraise the weaknesses and strengths of the structures it seeks to change. Figure I sets out the most salient aspects of the work environment. The premise is that while the extrinsic or external rewards from income are of central importance to all workers, a variety of other factors assume vital importance in how workers adapt to or are alienated by the work environment. The facets of the work environment identified in Figure I reflect the main areas which have been the subject of research in industrial sociology and psychology. A clear distinction is made between middle management which tends to be close to the workers' immediate job situation and the more remote and distant top management. Workers were asked to assess top management in terms of a general notion of fair treatment to workers and middle management in terms of their inter-personal relationship with rank-and-file workers. Workers' opinions were also elicited on the important areas of on-the-job consultation and communication between rank-and-file workers and management and the criteria applied in awarding job promotions in these enterprises. These areas are not only of critical importance in influencing worker motivation, but they tend traditionally to be incorporated as essential features of programmes of participa-

tive management. The other area of focus as regards extrinsic sources of rewards was the workers' views indicating approval or disapproval of the general conditions under which their job tasks were performed. Finally, a simple measure of job satisfaction or intrinsic rewards was also obtained in the questionnaire.

FIGURE 1: Job Environment of Intrinsic and Extrinsic Rewards



The extension of rank-and-file worker participation to include a more meaningful role in decisions now made largely (and in many respects exclusively) by top management must take into account how workers relate to these job environmental factors. New dimensions of worker participation must build on those positive sources of worker rewards that exist and seek to change those sectors of the job environment that offer low rewards or disincentives to worker motivation. Additionally, the level of worker alienation to these particular facets of his job environment define both the priority targets and strategies for more meaningful worker involvement at different levels of decision-making in the enterprise.

In examining the workers' views on what facets of the work environment and the enterprise generally should be changed, the questions were designed to tap and measure responses that were uninfluenced by suggestions and cues built into the wording of the question. This was done by means of two open-ended questions to allow the respondents to develop their own perspective on the work situation. Obviously, one important test of the validity of the data gathered is the extent to which these responses are consistent with the answers given to the structured questions relating to the workers' adaptation to and alienation from the work environment. These workers' conceptions of areas requiring change are fundamental indicators of the areas and scope of decision-making and types of decisions which these workers are interested in influencing more meaningfully. These indicators will obviously be vital to any decision to set up new institutional or informal structures to involve workers more in the decision-making process in various enterprises.

As regards the eliciting of workers' opinions on specific issues relating to different forms of worker participation, the strategy was to obtain both the workers' attitudes towards these issues as well as the underlying reasons they gave for adopting a negative or positive position. In other words,

yes-no responses were followed up by probing for the underlying values, beliefs and consciousness of the workers which account for the opinions they express. The focus in the questions in this area was on general support for the idea of greater worker participation in these enterprises, profit sharing, participative management through worker committees, worker representation on Boards of Directors, the place of the trade union in worker representation, the question of share ownership defined both generally and also in terms of the workers' interest in purchasing shares, and the workers' view on the controversial issue of worker ownership as against mere participation in management.

The total sample of 489 respondents includes the following numbers of workers in the five traditional categories of job classification:

unskilled manual	124	(25%)
semi-skilled manual	119	(24%)
skilled manual	88	(18%)
clerical	93	(19%)
supervisory	65	(13%)

In spite of the clear preponderance of manual workers, a sufficiently large number of clerical and supervisory workers were interviewed to reflect the weight of opinion of white-collar workers who remain a largely silent voice on the Jamaica industrial relations scene.

The presentation of the findings of the study is preceded by a brief discussion of a framework for analysing worker participation. This is not done to bias the reader's interpretation of the results but merely to make explicit how the author draws implications and inferences from the data. What is attempted is a definition of divergent approaches to worker participation with a clear specification of both their objectives and means of attainment. These alternate approaches can therefore be more or less feasible in the Jamaican context, from the point of view of workers' inputs and involvement depending on workers' reaction to the forms of participation on which they depend. The discussion therefore provides some criteria on which to draw policy implications from the data presented.

2. Approaches to Worker Participation

The experience of state-owned, mixed and largely privately owned economies suggests that there are three distinct approaches to worker participation in productive enterprises each of which seeks to achieve a different objective. The first seeks to make rank-and-file workers "junior partners" in the management and ownership of enterprises; the second, to achieve an approximate balance of power or equal partnership between labour and capital; and the third, to establish worker ascendancy and control. Not only are these approaches divergent in their ideological underpinning and social purpose but the emphasis they place on different forms of working participation will vary quite predictably.

The first approach of converting workers from mere sellers of their labour into junior partners in the management and ownership of an enterprise is clearly the most common of these approaches to participation to be found in both predominantly privately owned and mixed economies. The objectives of this first approach are as follows:

- (i) To increase the motivational level and thereby the productivity of workers.
- (ii) To reduce friction, tension and alienation on the part of the rank-and-file workers and increase their identity with the work place, working community and with top management as well as with the owners of the enterprise.
- (iii) To reduce industrial and class conflict.
- (iv) To increase the level of industrial democracy in the enterprise by formally providing channels for rank-and-file worker participation in decision-making at various levels but on terms that do not give these workers a decisive or determining voice in decision-making.
- (v) To tie workers to an enterprise by a nexus of financial and investment interests in the undertaking through such means as share ownership or deposit lending.

Obviously this first approach to worker participation relies very *heavily* *On certain factors* and mechanism such as the following:

- (i) Small minority shareholding by rank-and-file workers and consequently assuming workers' **willingness** and **ability** to buy shares in enterprises.
- (ii) Workers' **willingness** and **ability** to accumulate savings by investing in an enterprise in forms other than shares.
- (iii) Workers' minority (and often token) representation at the level of Boards of Directors.
- (iv) Worker representation at the shop floor level focussing mainly on "housekeeping" matters, while allowing some advisory functions at higher levels of policy, without infringing on the prerogative rights and powers of top management and property owners.
- (v) Small-scale profit-sharing in the form of production incentive schemes.

Bearing these factors in mind, it should therefore be possible to assess the feasibility of this approach in terms of workers' opinions. Obviously participative management and Board representation could be pursued without share ownership, but again its feasibility would depend on workers' expectations.

The second approach differs from the first in seeking to achieve a far-reaching shift in the balance of power between capital and its representatives, top management, and rank-and-file workers, while the first accommodates expanded worker participation to continued top management power ascendancy. While working through the same basic institutional mechanisms as the first approach, it places a clear emphasis on achieving a rough balance of power between labour and capital. This balance can be achieved by various methods, including the apportionment of equal representation on a Supervisory Board of Directors, the granting of veto power to rank-and-file workers' representatives in certain areas of decision-making, the allocating of determining policy powers to workers' representatives in certain areas of decision-making, equal or near-equal equity ownership between rank-and-file workers and other shareholders and interests, and large-scale profit-sharing that approaches an equal distribution.

The second approach therefore places explicit reliance on the following factors and mechanisms:

- (i) Methods of financing equity ownership by workers outside of their purchasing shares by wages to achieve more than token or minority shareholding.
- (ii) Developing a rough separation of power between **top management** and **representatives of rank-and-file workers** whereby the latter control decisions affecting workers' welfare and personnel decisions by both veto and initiating powers and the former continues to have the decisive say in routine day-to-day production and marketing policy-making.
- (iii) Worker representation at the shop floor level as a training ground for representation at the intermediary production policy level and the higher Board of Directors level.
- (iv) Reliance on the principle of giving both labour and capital sufficient power to block or veto each other on crucial decisions to make it necessary for collaboration in routine administration of the enterprise.
- (v) Separating clearly the executive functions of top management from the role of overseeing and supervising at a comfortable distance from the management structure that is entrusted to the Supervisory Board of Directors made up of equal representation to labour and capital balanced by a neutral member.
- (vi) Large-scale sharing of profits based on mutual trust, careful production planning and workers' willingness to trade off profits for short-run wage earnings.

Obviously, this second approach can rely either on equal-share ownership to achieve this balance of power, on the division of functions and powers between these divergent groupings as suggested in items 2, 3, 4 and 5 above, or through large-scale profit-sharing. As far as workers are concerned the feasibility of this second approach rests on the following:

- (i) Their interest not merely in more scope for participation but in experiencing a significant **increase** in their powers in the enterprise.

- (ii) Workers' interest in a wide scope of decision-making areas broad enough to encompass most levels of decision-making (shop floor, personnel and welfare, enterprise level production decisions, and Board level) to facilitate the exercise of veto powers in some areas and initiating powers in others.
- (iii) Workers' willingness to give up some short-run wage income or increases in favour of a potentially larger source of income from profit-sharing earned through incentive schemes that raise labour productivity substantially to make it worth their effort.
- (iv) Sufficient basic mutual trust of top management to both sustain a commitment to profit-sharing as well as to minimise negative uses of veto, initiating and representational powers to paralyze and disrupt management functions and the process of collaboration of equals.

Although the third approach lies outside of the ideological spectrum of the Jamaican government, to the extent that it is clearly supported by a vocal and growing tendency in the society, its feasibility from the standpoint of workers' attitudes and perspectives demands some discussion in the light of the data presented. Clearly this approach seeks to displace the powers, prerogatives and ascendancy of top management and the property owners they represent and to establish either majority worker ownership along co-op lines and workers' power ascendancy, or worker self-management and state ownership on behalf of the people. Here, as in the other two cases, the data will permit some assessment of the appropriateness of the approach given the values, attitudes and perspectives of the workers.

Obviously a number of other factors and considerations are central and germane to the decision as to which path to follow towards expanded worker participation. The orientation, consciousness and motivation of workers is thus only one factor to be taken into account. It is nevertheless an important and indispensable consideration that is necessary but clearly not sufficient to the making of such society-wide policy decisions.

3. Findings

A. *Adaptation to and Alienation from the Work Environment*

(i) WORKING CONDITIONS

On this question workers were asked to indicate whether or not they felt satisfied with the conditions under which they worked and to indicate the reason for the response. It will be noted from Table I that the level of satisfaction with working conditions is generally low in all sectors although it is generally higher in the banking, tourism, and artisan service sectors.

Of more immediate importance for worker participation are the reasons given for the low level of worker satisfaction with the conditions of work. As can be seen from Table I wages, poor facilities and amenities and poor relationships between workers and management emerge as the major factors responsible for these sentiments about working conditions. The clear indication is that any increase in the decision-making power of workers will be used to generate demands for improved physical amenities such as change rooms, bath rooms, fans, lunch rooms, lockers, first aid facilities, seating accommodation and a cleaner and less polluted work environment. Similarly, basic changes will need to take place in the quality of the relationship between management and workers.

The worker's obvious concern for the physical amenities and comfort in his work environment records the extent to which trade union efforts have been less successful in this area than in the area of wage increases in many plants and enterprises. Indeed many of the actual conditions observed by our interviewers seemed to be not in keeping with the level of profitability of many of these large enterprises and in some instances suggest a callous unconcern for the welfare and comfort of the rank-and-file worker whose labour is an integral part of generating those profits.

To be sure, any effort to improve these conditions will cost money although in some instances the amounts will not be very substantial. It means, however, that most top managerial interests would have to be convinced that it would be a worthwhile investment in increased labour productivity to undertake these expenditures. This of course assumes that some idle capacity exists that can

be put to productive use given a higher motivation and incentive on the part of labour. It also means that enterprises that are unlikely to pursue such an approach will not be able to establish sufficient credibility with rank-and-file workers to sustain a meaningful increase in worker participation if no effort is likely to be made to improve the work environment under which jobs are performed in many enterprises.

TABLE I
WORKERS' SATISFACTION WITH WORKING CONDITIONS

Sectors			
Bauxite	88	1	wages
		2	management/worker relations
Sugar	85	1	amenities
Public Utilities	71	1	management/worker relations
		2	wages
Tourism	65	1	work pressure
		2	wages
Banking	53	1	management/worker relations
		2	work pressure
Artisan Services	69	1	wages
		2	management/worker relations
Artisan Production	73	1	management/worker relations
		2	amenities/facilities
Distribution (Private Sector)	81	1	amenities/facilities
		2	management/worker relations
Industrial Manufacturing	81	1	amenities/facilities
		2	management/worker relations
Agro-industry	82	1	amenities/facilities
		2	management/worker relations
Distribution (Public Sector)	93	1	amenities/facilities
		2	management/worker relations

Question: Are you satisfied with the conditions under which you work?

The high priority the worker attaches to good worker-management relations seriously questions the view that Jamaican workers are motivated entirely by the extrinsic rewards of wage payments and throws very sharply into relief a critically sensitive issue for any programme of increasing worker participation in enterprises. Put quite briefly, the workers' disenchantment with worker-management relations reflects a view that rank-and-file workers are not respected nor accorded any recognition or dignity by top management, are taken for granted, and as one worker put it, "are not treated like human beings". These perspectives clearly speak to some fundamental questions of social attitudes and behaviour engrained in the Jamaican social structure that obviously have to change if workers are to feel less alienated by the work environment and more integrated into a work community that extends to them a minimal level of respect and recognition of self-worth. These adjustments and changes are often painful and difficult because the source of the problems is built into the strategy and style of management and managerial authority over the worker. However, without these changes worker participation in any meaningful sense is not likely to be viable on any level.

It is instructive that it is workers in those sectors of the economy earning relatively higher wages than other sectors who feel strongest about wage dissatisfactions. Clearly the mere fact of paying higher wages does not reduce worker alienation.

(ii) MIDDLE MANAGEMENT

The workers' appraisal of their inter-personal relations with middle management and supervisors shows an impressive level of positive satisfaction for most sectors. As can be seen in Table II satisfaction with middle management and supervisors was highest in Banking, Tourism, Public Utilities and Artisan Production sectors and lowest in Sugar and the Distributive sectors. This positive finding suggests that while there is room for improvement in some sectors, very little of the responsibility for worker alienation can be attributed to the human relations aspect of the worker-supervisor authority relationship in these large enterprises.

TABLE II
WORKERS' VIEW OF IMMEDIATE SUPERVISOR

Sector	% Concerned With Work Only	% Concern For Both Work and Worker
Bauxite	39	61
Sugar	54	46
Public Utilities	25	75
Tourism	23	73
Banking	24	76
Artisan Services	44	57
Artisan Production	33	67
Distribution (Private Sector)	42	58
Industrial Manufacturing	39	61
Agro-Industry	39	61
Distribution (Public Sector)	47	53

Question: Does your immediate boss show concern for you as a person or is he or she only interested in your work?

The reason lies partly in the fact that rank-and-file workers do not see supervisors as being an integral part of management, except and in so far as they function as tools of the latter. More importantly, in the close face-to-face relationship on the job a certain level of mutual regard and concern develops between worker and supervisor. The earlier-mentioned emphasis placed by workers on poor worker/management relations in their dissatisfaction with their conditions of work points clearly to the fact that good relationships between worker and supervisor are no substitute for basic changes in the social relations and attitudes that surround the treatment of workers in these enterprises.

(iii) CONSULTATION

Industrial sociologists often attribute worker alienation to weak channels of communication between management and worker as reflected in the failure to consult workers on changes that affect their work situation or job performance. The data shown in Table III suggest that on this level considerable consultation takes place in most of these large enterprises. Highest levels of consultation were found in Tourism, Public Utilities, Agro-industry, Artisan Services and Production and the Distributive sectors. Others such as Bauxite and Industrial Manufacturing are at a lower level but not substantially different. Both Sugar and Public Sector Distribution score very low on consultation and show considerable room for improvement in this area.

As in the case of the supervisor-worker relationship, there is some room for improvement in the level of on-the-job consultation in these large enterprises; but the positive finding indicates good management practices in most sectors. Again, worker alienation and estrangement from the work environment cannot be attributed to these management practices.

TABLE III
LEVEL OF ON-THE-JOB CONSULTATION

Sector	% of workers consulted before changes introduced in department
Bauxite	58
Sugar	30
Public Utilities	71
Tourism	81
Banking	54
Artisan Services	69
Artisan Production	60
Distribution (Private Sector)	67
Industrial Manufacturing	59
Agro-Industry	71
Distribution (Public Sector)	21

Question: When any changes or new methods are being introduced in your Department or Section are they usually explained to you in advance?

(iv) **TOP MANAGEMENT**

Consistent with the earlier findings on the reasons for substantial levels of worker dissatisfaction with their conditions of work, it was found that attitudes towards top management were decidedly negative in most sectors. Workers were asked in this case to indicate the reasons for favourable or unfavourable views and positions on the question. The data set out in Table IV portray tremendous credibility gaps, feelings of social distance, and clear alienation in the attitudes of rank-and-file workers to top management in these enterprises. Consistent with the data presented earlier on attitudes to working conditions, the central emphasis in the workers' attitudes is on the human relations aspect of management. The main issues raised by workers under the heading of

TABLE IV
WORKERS' VIEWS ON FAIR TREATMENT BY TOP MANAGEMENT

Sector	% Believing Top Management Unfair	2 Main Reasons for Worker Dissatisfaction
Bauxite	73	1 management/worker relations 2 promotions
Sugar	93	1 management/worker relations 2 wages
Public Utilities	78	1 management/worker relations 2 wages
Tourism	58	1 management/worker relations 2 wages
Banking	55	1 management/worker relations 2 promotions
Artisan Services	62	1 management/worker relations 2 promotions
Artisan Production	43	1 wages
Distribution (Private Sector)	66	1 management/worker relations 2 wages
Industrial Manufacturing	68	1 management/worker relations 2 wages
Agro-Industry	74	1 management/worker relations
Distribution (Public Sector)	80	1 management/worker relations

Question: Do you think that management treats workers like yourself fairly?

worker-management relations pertain to problems of the relative distance and isolation between workers and top management, social discrimination and snobbery towards rank-and-file workers, demeaning, belittling and often insulting treatment of workers and a general unconcern for the workers' point of view. The following quotations from our interviewers' recording and summary of the views expressed by a few workers illustrate the general pattern:

"Management keep themselves apart from the workers and look down on us."

"They only interested in the work and don't care about us."

"They just ignore us and take us for lower people."

"Management take us for granted and treat big men like boys."

"Because management only deal with workers when something serious go wrong."

"They like to talk to people as if them better than you."

"They believe that workers don't have any sense and is nobody."

The data again confirm the extent to which this human relations issue looms as large in the concerns of the rank-and-file workers as is the issue of wages and salaries. Indeed, on this particular question of top management's credibility, worker-management relationship consistently ranks higher than wages as the prime basis for negative attitudes.

In terms of the relative position of the various economic sectors Banking, Tourism, and Artisan Production show the highest level of positive worker attitudes to management, while Sugar, Public Sector Distribution, Public Utilities, Bauxite and Agro-industry score the lowest.

(v) PROMOTIONS

Predictably consistent with their view of top management, workers tend to entertain serious and substantial credibility gaps with respect to how promotions are made in these enterprises. In some sectors, notably Public Sector Distribution, Agro-industry, Public Utilities and Industrial Manufacturing, a substantial proportion of workers view the promotions system in these enterprises as being based largely on bias and favouritism. Table V indicates, however, the tremendous variation between sectors. Tourism and Artisan Production in particular, and Sugar and Banking to a lesser extent, record substantially above-average levels of worker credibility in this important area of personnel management. As can be gleaned from Table V, for the sample as a whole, the balance of worker opinion is more positive than negative with 38 per cent believing that promotions are based on a merit system and 29 per cent seeing it as resting entirely on favouritism. The overall picture for the sample as a whole and for many sectors is therefore a mixed one, but with sufficient credibility in how the promotions system works to render worker participation in the area in an advisory or veto power role a not too problematic proposition.

TABLE V
WORKERS' VIEW OF CRITERIA USED IN PROMOTIONS SYSTEMS

Sector	% by Favouritism	% by Merit & Favouritism	% by Merit
Bauxite	34	26	39
Sugar	8	38	54
Public Utilities	42	27	31
Tourism	18	11	71
Banking	18	33	50
Artisan Services	30	15	54
Artisan Production	14	0	86
Distribution (Private Sector)	32	23	45
Industrial Manufacturing	43	15	43
Agro-Industry	49	24	27
Distribution (Public Sector)	67	7	26

Question: Are promotions in your Department or Section based on merit or favouritism?

(vi) WORK SATISFACTION

In order to complete the picture of how the workers in these large enterprises adapt to the work environment and work situation, worker opinions were elicited on the question of whether their job tasks were sufficiently challenging.

The results shown in Table VI reveal an appreciably high level of job satisfaction measured in these terms. The highest levels of intrinsic job satisfaction are to be found in the Tourism, Artisan Production, Public Utilities and Industrial Manufacturing sectors, while the Banking sector, Private Sector Distribution and Public Sector Distribution score lowest. The data point to the fact that worker alienation is not to be found so much in the intrinsic values being derived by the worker from the nature of the job task but from the envioning human, social and physical conditions under which work is performed in these large enterprises.

TABLE VI
LEVEL OF JOB SATISFACTION

Sector	% Satisfied
Bauxite	52
Sugar	54
Public Utilities	67
Tourism	75
Banking	41
Artisan Services	50
Artisan Production	73
Distribution (Private Sector)	44
Industrial Manufacturing	57
Agro-Industry	52
Distribution (Public Sector)	47

Question: Do you think that your present job gives you enough opportunity to prove your ability?

(vii) GENERAL

In order to give a composite and summary picture of how workers in these large enterprises relate to or are alienated from their work situation and work environment, Figure II sets out comparatively the level of worker alienation found in these 6 areas. A number of clear inferences can be drawn from this overall picture as regards a policy of worker participation. The first is that the problems of worker alienation relate to credibility gaps primarily between top management and rank-and-file workers and perceptions of inadequate rewards that relate to the denial of both the intangibles of human dignity and recognition and certain creature comforts in the physical infrastructure of the work situation. For worker participation to be viable it must bridge this credibility gap and facilitate improvement in the physical aspects of the work environment.

B. Workers' Priorities for Change in the Work Environment

Workers were asked to indicate their view on the priority areas for change in the enterprises where they worked. Predictably the scale of priorities they suggested reflected entirely the measures of levels of alienation outlined in Section A. For the sample as a whole 23 per cent of the responses suggested changes in physical amenities and facilities and 22 per cent changes in the quality of relationships between workers and management. These were the two items highest on the list of priorities and these were followed by wages (12%), promotions (8%), on-the-job pressures (7%), and the need for greater worker involvement in decision-making (5%).

FIGURE II: Levels of Worker Alienation in Job Environment

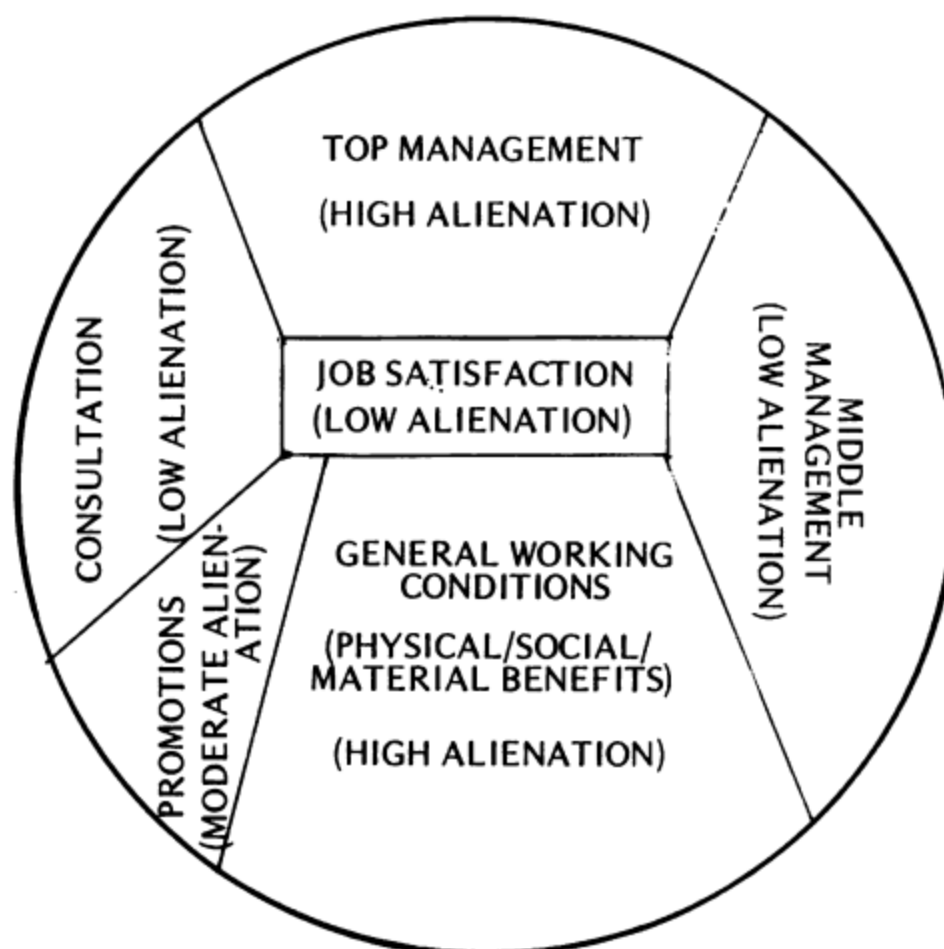


Table VII sets out the relative emphases of the different sectors among these large enterprises. The table indicates clearly the uniform priority given in all sectors to physical amenities and facilities and improvement in worker-management relationships. A number of quite obvious inferences can be drawn from this datum. The first is that worker participation in decision-making has to include levels of decision-making beyond the shop floor however much shop floor participation is developed. This follows from the fact that decision-making power and authority and an effective voice in the areas where priorities are being identified lie outside of the domain of "shop floor" level decisions. Secondly, reduction in the credibility gap will require a **redefinition** of the relationship between top management and rank-and-file workers on terms that both increase the power and recognition of the latter and develop collaborative and joint functions in decision-making between these two groups. Given the present situation of top management ascendancy and exclusive prerogative powers, this development is unlikely to take place since, in my view, only a prior adjustment in the power relations between the groups can redefine the situation. This is argued for the following reasons:

- (i) Power ascendancy and dominance are never yielded or given up **voluntarily** unless clear material benefits or costs make it worth while for the ascendant group.
- (ii) Increasing the power of rank-and-file workers involves a high risk to top management and offers uncertain rewards in terms of future increases in productivity.
- (iii) The low level of workers' decision-making power outside of industrial action is a function of top management's concentration of power.
- (iv) The attitudes to workers and the human-relations style of management is an integral part and consequence of this power imbalance.
- (v) The level of allocation of resources to improving the physical work environment is also a function of this power situation.
- (vi) The values and attitudes of top management personnel are likely to be resistant rather than amenable to these changes.

TABLE VII
WORKERS' PRIORITIES FOR CHANGE

Sector	Priority items in rank order
Bauxite	1 amenities/facilities 2 management/worker relations 3 promotions
Sugar	1 amenities/facilities 2 job pressure 3 wages
Public Utilities	1 wages 2 management/worker relations 3 amenities/facilities
Tourism	1 management/worker relations 2 amenities/facilities 3 job pressure
Banking	1 management/worker relations 2 promotions 3 amenities/facilities
Artisan Services	1 pay 2 amenities/facilities 3 management/worker relations
Artisan Production	1 wages 2 amenities/facilities 3 management/worker relations
Distribution (Private Sector)	1 amenities/facilities 2 management/worker relations 3 wages
Industrial Manufacturing	1 amenities/facilities 2 management/worker relations 3 wages
Agro-Industry	1 amenities/facilities 2 management/worker relations 3 wages
Distribution (Public Sector)	1 management/worker relations 2 amenities/facilities 3 promotions

Question: If you were elected to a workers' committee to help run this company, what changes, if any, would you want to introduce?

- (vii) Only worker pressure through an organised mass movement such as the trade unions combined with supportive government regulation is likely to redefine the power balance to enable a redefinition of these relationships. The implication of this view is that the "junior partner" approach to worker participation is likely to be less viable and meaningful than the approach that seeks to establish a shift in the balance of power between labour and capital.

C. Workers' Views on Various Forms of Worker Participation

(i) SHARE OWNERSHIP

As can be seen from Table VIII, the overwhelming majority of workers in all the sectors support in principle the idea of workers owning shares in the enterprise to which they sell their labour. The foremost reason advanced for this position is identical with that assumed in most worker share-ownership schemes and those propounded by the liberal school of industrial sociologists which insists that by having a financial stake in the enterprise workers will take a greater interest in the job and production generally and increase the level of output as a consequence.

This is not a surprising grass roots or commonsense theory in a society in which the own-account tradition of self-employed labour is very strong.

While this general support for workers owning shares is quite high, there is a fundamental difference between this general position and the level of individual interest in investing a specified sum of money in shares. As can be seen in Table VIII, a clear commitment and interest in investing a defined sum of money in shares is very low in most sectors of the sample. Only in the case of the high-wage Bauxite sector and to a lesser extent the Distributive sector (Public and Private) and the Agro-industrial and Sugar sectors, does the level of concrete interest in share-holding exceed one-third of the sample. It should also be pointed out that with the exception of the Bauxite sector, the commitment is mainly for investing very small sums of less than \$100 and a much smaller number for between \$100 and \$500.

TABLE VIII
SUPPORT FOR WORKERS OWNING SHARES

Sector	% Support of Share Ownership in Principle	% Uninterested in Buying Shares	% Interested in Buying Specified Value of Shares
Bauxite	92	12	59
Sugar	100	8	39
Public Utilities	91	31	16
Tourism	92	27	32
Banking	87	28	31
Artisan Services	94	31	24
Artisan Production	87	67	26
Distribution (Private Sector)	86	27	40
Industrial Manufacturing	96	21	30
Agro-Industry	90	30	40
Distribution (Public Sector)	87	13	53

- Questions: (i) Do you think that workers should own shares in any business where they work?
(ii) How much money would you personally be willing to invest in shares?

Workers are also quite clear on the reasons for this relatively low level of interest which have to do with low incomes, low and uncertain returns on the investment, and pressing short-term cash needs.

It would seem from these data (which simply confirm the experience of most firms which have tried worker share-ownership) that such a venture is unlikely to attract large-scale investment from wage-labour. While such investments may be attracted from small high-wage sectors of the labour force such as those in Bauxite, their quantitative impact on broadening the spread of income will be miniscule and the stream of investment may itself be short-lived given the potential gap between the actual rate of return in the form of dividends and the expected rate of return. The latter derives from the simple fact that the worker is better off depositing his savings in a fixed-deposit bank account.

(ii) PROFIT-SHARING

Workers were asked to indicate approval or disapproval of a hypothetical option in which management offered a proportion of future profits to workers in exchange for a short-term increase in wages. In other words, existing wages would remain frozen for a year and additional income of a variable quantity or an additional income could be earned over that period depending on the firm's increased output and sales position. The logic behind the question was to tap workers' responsiveness to the risks involved in profit-sharing and see how much worker interest there would be in trading off or exchanging the normal increment of wage increase for an uncertain share of future profits.

The logic behind the profit-sharing strategy is that it offers an *inducement* to workers to increase productivity and thereby increase revenue out of which incomes can be *supplemented* on the basis of workers sharing the additional profits with the owners of the enterprise.

The offer of increased income through profit-sharing acts as a stimulus to activate worker motivation to higher levels and thereby increase productivity. Profit-sharing, moreover, requires extensive sharing and dissemination of production and marketing data between top management and rank-and-file workers and necessarily involves those workers in the planning of production. It is therefore a strategy of participation that ties in both a financial nexus between the worker and top management as well as a worker involvement in decision-making and information-sharing.

The level of worker support for profit-sharing as a substitute for an increment of increased wages is no higher than that for share ownership. The responses shown in Table IX indicate that similar to the pattern found in the attitudes to share ownership, the primary reasons for low interest in profit-sharing were low income and the high cost of living which placed a premium on certain short-term income, the risk and uncertainty of profits, and the desire of workers to exercise discretionary choice over their limited financial resources.

TABLE IX
WORKERS CHOICE BETWEEN WAGES AND SHARES

Sector	% Preferring Profits over Extra Wages	% Preferring Wages	Reasons
Bauxite	44	56	1 uncertainty
Sugar	23	76	1 not enough free choice
Public Utilities	18	82	1 uncertainty 2 not enough free choice
Tourism	50	50	1 uncertainty 2 not enough free choice
Banking	33	67	1 uncertainty 2 cost of living/pay
Artisan Services	44	56	1 cost of living/pay
Artisan Production	60	40	1 cost of living/pay
Distribution (Private Sector)	37	61	1 uncertainty 2 not enough free choice
Industrial Manufacturing	38	60	1 cost of living/pay 2 uncertainty
Agro-Industry	40	58	1 uncertainty 2 cost of living/pay
Distribution (Public Sector)	27	73	1 uncertainty 2 cost of living/pay

Question: Suppose the Company decided that for next year rather than pay higher wages it would give the workers a share in the profits. Bearing in mind that the company could make a big profit as well as no profit at all, would you be willing to go along with this?

It will be noted, however, that in some economic sectors such as Artisan Production, Tourism and to a lesser extent Bauxite, Artisan Services and Agro-industry, support for profit-sharing is moderately high and certainly large enough to facilitate experimentation with pilot projects. With the exception of the Public Utilities, Sugar and Public Distribution sectors, at least a third of the workers in each sector support the profit-sharing concept. Clearly, profit-sharing tied to production planning offers an approach to worker participation that could elicit worker interest by building on the initial positive support reflected in these survey data. The essential point that emerges is that where workers perceive the enterprise as highly prosperous and earning substantial profits, there is a moderate or high interest in profit-sharing. While most workers would like to share in profits as well

as own shares (as shown earlier), there is no simple formula by which workers will be easily induced to assume the risks and uncertainties of profit-sharing or to forego certain and short-term wage income in exchange for future income from such risky sources. Given the somewhat significant minorities in each sector favouring profit-sharing, it is just possible that in many enterprises they may represent sufficient of a concentrated critical mass in some departments to provide a basis for experiments and pilot projects that may persuade other workers by example or success at generating higher levels of worker income.

(iii) MANAGEMENT BY COMMITTEE

An important aspect of the development of worker participation relates to the degree to which workers develop a positive sense of the importance and worth of rank-and-file worker participation in the management of enterprises and in important decisions that affect their work environment and job tasks. At the root of this attitude is a questioning of the exclusive prerogative of an authoritarian hierarchy of superiors to administer enterprises with little or no decision-making involvement or inputs from the rank-and-file workers. The authoritarian tendency inherent in many industrial and economic organisations often induces on the part of rank-and-file workers acceptance of the idea of a single authority figure or "boss" whose word is final and who knows what is best for both the worker and the enterprise.

The survey attempted to measure the degree to which a positive sense of the worth and value of rank-and-file worker participation has developed among Jamaican workers in the enterprises and the extent to which the traditional authoritarian values have been eroded and replaced by more democratic conceptions of management structure. These attitudes were measured by posing to the respondents an option between departmental management by one "boss" and management by a worker committee in collaboration with a supervisor.

The responses outlined in Table X indicate relatively strong support among workers in most sectors for committee management as against management by one boss. Equally instructive are the reasons adduced by workers for this form of participative management. The two major reasons advanced include a belief in industrial democracy and rank-and-file participation in the decision-

TABLE X
WORKER SUPPORT OF COMMITTEE MANAGEMENT

Sector	% Supporting Committee Management	Foremost Reasons in Rank Order
Bauxite	77	1 production 2 democratic values
Sugar	73	1 more production 2 democratic values
Public Utilities	58	1 more production 2 democratic values
Tourism	40	1 democratic values
Banking	54	1 democratic values 2 removal of victimisation
Artisan Services	44	1 democratic values
Artisan Production	66	1 democratic values
Distribution (Private Sector)	66	1 democratic values
Industrial Manufacturing	63	1 democratic values 2 more production
Agro-Industry	61	1 democratic values 2 more production
Distribution (Public Sector)	80	1 democratic values

Question: Would you prefer to work in a Department where one person was in charge or would you prefer to be in a Department where a committee of workers like yourself helped the supervisor in running the Department?

making process and a theory that worker involvement in decision-making will induce greater production levels and work effort. It is equally noteworthy that the *minority* of workers opposed to democratic management advance as the central reason the authoritarian view that the result will be chaos and confusion. Both Tourism and Artisan Services reveal levels of democratic values in management somewhat below the sample average, while Bauxite, Distribution (Public Sector) and Sugar achieve the highest levels in this area.

These results indicate that any programme promoting increased worker participation at the departmental or work unit level as distinct from involvement in high company level policy decisions is founded on solid rank-and-file worker support. Given the findings in other areas of this study, such a level of decision-making would clearly, however, be insufficient to meet workers' aspirations for change.

(iv) REPRESENTATION ON BOARDS OF DIRECTORS

As could be predicted by the earlier findings, workers favour quite overwhelmingly the representation of workers on Boards of Directors as shown in Table XI. A more fundamental consideration lies in their reasons, expectations and aspirations for Board level involvement since this might be rooted in misconceptions about the role and function of Boards of Directors. The central reasons advanced touch on self-interest and power maximisation, the search for information, the where-withal to protect workers' interests and a principled support of the importance of industrial democracy through increased worker participation in management functions. These reasons imply two fundamental and far-reaching inferences. Firstly, that Board level representation of workers is seen by rank-and-file workers as an aid to advancing workers' interests through information dissemination, decision-making power through more broadly based participation and a commitment to protect the interests of workers. Significantly, goals such as improving worker-management relations

TABLE XI
WORKER SUPPORT FOR BOARD REPRESENTATION

Sector	% Supporting	Reasons
Bauxite	88	1 protect workers interests 2 management/worker relations
Sugar	92	1 obtain information 2 democratic values
Public Utilities	98	1 protect workers' interests 2 obtain information
Tourism	82	1 democratic values 2 protect workers' interests
Banking	78	1 protect workers' interests 2 democratic values
Artisan Services	81	1 protect workers' interests 2 obtain information
Artisan Production	100	1 democratic values 2 obtain information
Distribution (Private Sector)	85	1 protect workers' interests 2 obtain information
Industrial Manufacturing	93	1 obtain information 2 democratic values
Agro-Industry	87	1 protect workers' interests 2 obtain information
Distribution (Public Sector)	100	1 democratic values 2 obtain information

Question: Do you think it is a good idea for workers to sit on the Board of Directors of this company?

assume insignificance in comparison to goals that address themselves to increasing the leverage and means to increase worker power. Secondly, that workers' aspirations for significant increases in decision-making power are likely to be frustrated by the realities of minority or token representation on Boards.

Workers clearly operate under the misconception that Board level decision-making can have critical inputs and influences in the affecting of those issues that are close to workers' interests and welfare. Most of these relevant policy and management decisions, however, are made by top management in exercising executive functions. The implication is that Board level representation of workers on the basis of a "junior partnership" or minority status will not only encourage illusions of enhanced policy influence but lead to a view of this device as a means of co-optation and status absorption of rank-and-file workers into Board room lackeys set up to sell out workers' interests. Beyond this, given the expectation of workers for real change in their power capability, the frustrations of that experience will discredit the idea of worker participation.

Given the aspirations, values and goals that underlie workers' interests in and support for Board level representation, it seems clear that the need is really for some mechanism to promote rank-and-file worker participation in top-level management decisions rather than Board room tokenism.

(v) **WORKER REPRESENTATION—DIRECT OR INDIRECT?**

Another important issue that impinges on the whole question of worker participation is the degree to which the Jamaican workers support indirect worker representation through their trade union, as the organ or mouthpiece of the working-class movement, or whether the tendency is for a commitment to direct worker representation.

With the exception of the Private Sector of the Distributive Trade, workers in all sectors overwhelmingly support direct worker representation through the ballot box rather than through indirect union representation. Only in the two instances of Sugar and the Distributive Sector (Public) did the level of support for indirect trade union representation approach 20 per cent. It will be noted from Table XII that in all other sectors the level of preference for direct local level representation exceeds seventy per cent of the workers interviewed.

TABLE XII
SUPPORT FOR DIRECT WORKER REPRESENTATION AS AGAINST
INDIRECT REPRESENTATION THROUGH TRADE UNIONS

Sector	% Preferring Trade Union Representation	% Preferring Direct Worker Representation
Bauxite	12	72
Sugar	23	77
Public Utilities	13	85
Tourism	10	71
Banking	0	85
Artisan Services	6	81
Artisan Production	7	73
Distribution (Private Sector)	17	47
Industrial Manufacturing	7	70
Agro-Industry	17	73
Distribution (Public Sector)	20	80

Question: Suppose it was decided to allow two workers to sit on the Board of this Company, in which way should they be selected, by workers' vote, by union, by management?

The inference to be drawn is that in spite of the important role the trade unions now play in advancing workers' interests and power and in exercising "indirect" worker participation through industrial bargaining, there is a felt need on the part of rank-and-file workers to obtain a higher level

of local worker power through the ballot box and for a greater *direct* voice in matters directly affecting their interests and power in the enterprises where they sell *their* labour. Although it might appear that this implies a reduction or lowering of the adversary role-playing and conflict-prone and contentious strategies often pursued by trade-union leaders, such a view would be mistaken when applied to several plants and enterprises where unofficial grass-roots leadership is more often than not far more militant than worker-delegates or trade-union leaders. What it would certainly mean is that top management would be induced to give greater recognition to local level worker leadership on the shop floor and that the decision-making power of the latter would both increase and induce more collaborative postures only if this increased power yields dividends in terms of an enhancement of workers' goals.

(vi) **OWNERSHIP OR PARTICIPATION?**

An important issue as regards workers' opinions is the choice in the approaches to worker participation in enterprises between according workers a "junior partnership" with capital and top management, redefining power relationships to approach a balance of power between labour and capital, or thirdly, the increase in worker power to incorporate ownership as well as management control. Clearly this choice depends on more than the ideological direction and imperatives of any government, mass movement or party since it must also rest on a minimal level of working-class support.

While the Jamaican government propounds democratic socialism and advocates worker participation the form of which has yet to be defined, other voices in the society advocate worker ownership or full worker self-management. The question arises as to how ready and how supportive are the Jamaican workers of one or the other, or both positions as ways of seeking to resolve the alienation and antagonism between labour and capital in the production of goods and services.

TABLE XIII

WORKER SUPPORT FOR MORE PARTICIPATION IN DECISION-MAKING

Sector	% Supporting	Reasons
Bauxite	85	1 management/worker relations 2 more production
Sugar	100	1 more production 2 more worker benefits
Public Utilities	88	1 more worker benefits 2 more production
Tourism	90	1 democratic values 2 more production
Banking	78	1 democratic values 2 more production
Artisan Services	63	1 more worker benefits 2 more production
Artisan Production	100	1 more worker benefits 2 more production
Distribution (Private Sector)	86	1 democratic values 2 more worker benefits
Industrial Manufacturing	96	1 more production 2 democratic values
Agro-Industry	95	1 democratic values 2 more production
Distribution (Public Sector)	100	1 more production 2 democratic values

Question: The government has announced support for the idea of workers playing a greater role in the running of companies such as the one where you work. Do you think this is a good idea?

The data presented in Table XIII indicate overwhelming support for the idea of workers having a larger voice in the running of the enterprises where they work.

With the exception of the Banking and Artisan Production sectors the support is close to a hundred per cent in most cases. Instructively, the primary reasons advanced for this point of view are its potential for increasing production by mobilising and marshalling higher levels of worker motivation, a belief in industrial democracy or worker participation as being a good thing, and material benefits accruing to workers. Large sums have been spent in research by international industrial psychologists and sociologists to arrive at theories and propositions about worker motivation and the merits of participative management which are not dissimilar from those articulated by the grass-roots theories of the Jamaican worker. It is important to appreciate that these opinions are not simply repetitions of statements by opinion-leaders such as the Prime Minister as they represent genuinely held folk beliefs which come across consistently as answers to a variety of questions in the survey. In this connection, it should be noted that in contrast to their clearly held and articulated general view, only a small proportion of workers amounting to less than twenty per cent of the sample had any clear notion of the various forms and channels through which this worker participation should be channelled. This indicates clearly that the views picked up by the survey were not simply tapping statements on the subject by spokesmen such as the Prime Minister. Of some interest is the fact that among those who held some view of the form it could take, opinion divided among those who saw it in terms of a greater decision-making involvement and those who saw it in terms of workers acquiring a financial stake in the enterprise that provides them with employment.

Although support for outright worker ownership is not as high as support for increased worker participation, it is quite high in several sectors, as can be seen in Table XIV. Support for outright worker ownership is very high in the Sugar and Artisan Production sectors and only slightly less so in Bauxite, Agro-industry and Distribution (Public Sector).

TABLE XIV
WORKER SUPPORT FOR OUTRIGHT WORKER OWNERSHIP

Sector	% Supporting Worker Ownership
Bauxite	65
Sugar	85
Public Utilities	47
Tourism	52
Banking	36
Artisan Services	25
Artisan Production	93
Distribution (Private Sector)	43
Industrial Manufacturing	57
Agro-Industry	66
Distribution (Public Sector)	66

Question: Some people say that instead of talking about worker participation in management, the government should be planning worker ownership and control of these companies. Do you agree?

In Tourism, Industrial Manufacturing and Public Utilities the support either exceeds marginally or approaches the fifty-per-cent mark. Only in the cases of Banking and Artisan Services were the workers' views decidedly against worker ownership. A number of clear inferences follow from these data. The first is that given workers' aspirations for effective power in the making of decisions that affect them and their work situation and environment, the approach to worker participation conceived in terms of a "junior partnership" with top management is not likely to be a viable one capable of eliciting worker support. Secondly, workers' consciousness and goals which are clearly

being influenced by the socialist ideological currents that are being generated in the society that only an approach to worker participation that attempts to realise at least a balance of power between labour and capital is likely to be viable from the point of view of eliciting working-class support. Thirdly, that a shift in the power balance between rank-and-file workers and top management in decision-making power in economic enterprises is likely to set off in the long run aspirations for full worker self-management in some sectors.

4. Conclusion

The data on workers' attitudes presented in this study suggest the following conclusions as regards a viable strategy of increasing rank-and-file worker participation in economic enterprises:

- (i) Token financial and decision-making involvement by workers is not likely to be successful.
- (ii) Profit-sharing offers some scope for pilot projects on a small scale but share-holding by workers is not likely to elicit any significant worker interest.
- (iii) Increasing worker participation in effective decision-making in enterprises will incur costs which imply that unless top management is willing to see these as investments in future productivity increases, the attempts at change will end in stalemate and mutual frustration.
- (iv) The credibility gaps between top management and rank-and-file workers require a redefinition of the balance of power between these two groups before real change in the pattern of human relationships and management styles and practices can alter sufficiently to accommodate effectively worker participation in decision-making.
- (v) Increased worker participation must increase direct worker representation at the local level, while leaving it open to trade unions to play a promotional consultancy, or organisational role on an informal basis rather than provide for indirect representation through trade unions.
- (vi) The levels of worker participation in decision-making have to be dual, including the shop floor, work group or departmental levels as well as the higher overall company-wide level.
- (vii) Workers accept the proposition that increasing their decision-making power and financial stake in an enterprise increases their motivation to produce at a higher level.

CARL STONE

Chapter 15

THE MASS MEDIA OF COMMUNICATIONS AND SOCIALIST CHANGE IN JAMAICA

We have to look at the mass media of communications in contemporary Jamaica in at least two ways if we are to understand fully their impact on the prevailing distribution and use of power in our societies. a) The ownership structure of the media must be scrutinised in order to comprehend b) their functions within our societies.

It is important to settle initially the question of ownership, for in spite of the present government's initiatives to transform certain critical economic relationships within the society, Jamaica remains a capitalist society.

While the "product" of the communications industry—information—differs significantly from the product of all other industries, the private ownership of the means of producing information for a society is closely linked to the overall agenda of producing goods and services for profit. Specifically, the information that is made available to the public serves the interests overtly and covertly of the owners and managers of the information media.

Significantly, all three daily newspapers in Jamaica, having a combined circulation of 184,000, are privately owned. Consolidation of private ownership of this particular mass medium is further enhanced by the fact that both the Daily Gleaner and the sole afternoon newspaper, the Star, with a combined circulation of 154,000, are owned by a single company, the Gleaner Company Ltd.

Although in the context of a total population of two million the combined circulation of the three dailies appears relatively small, in reality the impact of the newspapers on the total population far outweighs the actual numbers circulated, and for a number of reasons. In the first place, the nature of the newspaper medium is such that it is a permanent record that can be consulted long after the news which it purports to report has become 'stale'. Therefore its power to reach and influence those exposed is not time-bound in the sense that the electronic media are.

Secondly, since readership is a function of literacy, the circulation statistics must be related directly to potential readership, namely, the literate population. In effect, what this means is that only approximately half of the Jamaican population has direct access to information provided by this medium. This figure is even lower if we exclude most of the non-working literate such as children and many adults who do not read a newspaper regularly. If we assume, based on average middle-income family size in Jamaica, for example, that each newspaper is read by approximately three persons, then the combined circulation of all three newspapers reaches directly approximately 45% of the literate population who read a newspaper with any frequency, which is somewhere between three and four hundred thousand persons.

In Jamaica there is yet a third important factor that contributes to the saliency of this form of mass communication, and that is the indirect word-of-mouth access to printed information of the non-literate and non-reading sector of the population. This is particularly significant in the case of the Daily Gleaner which is one of the oldest newspapers in the English-speaking western hemisphere.

Founded in 1834, the Daily Gleaner predates the New York Times by seventeen years. And since for much of its 141 years it was a virtual monopoly in the marketplace of information, it has developed a unique institutional position, and thereby great influence as an opinion-maker in the society. It is still quite common for many Jamaicans to use the name "Gleaner" as a synonym for "newspaper" in spite of the advent of the Jamaica Daily News founded in 1973. This merely reinforces the point that the direct and indirect influence of the island's daily newspapers on the population is greater than their circulation statistics would indicate; control of the Jamaican daily press remaining entirely in private hands.

In terms of direct influence, the medium that has greatest impact on Jamaican society is radio. From Table I it will be seen that the majority of radio listeners in Jamaica are from the unskilled and manual-labour categories of the society. This is not surprising since a large proportion of the non-literate population is to be found among these two categories of workers. An interesting corollary to this observation, and one with cultural overtones, is the fact that middle- and upper-income Jamaicans tend to depend more on the daily newspapers for their primary source of news and information. (See Table II.)

TABLE I†

	Average ¼-hour adult radio listening audience					Total adult population	
	%	Total '000	%	JBC '000	%	RJR '000	%
SEX							
Men	53	62	52	10	53	52	49
Women	47	54	48	9	47	45	51
AGE							
15-24	31	37	26	5	32	32	26
25-34	16	19	15	3	16	16	16
35-44	23	27	26	5	22	22	14
45+	30	33	33	6	30	27	44
SOCIO-ECONOMIC GROUP*							
i	9	11	10	2	9	9	12
ii	18	22	15	3	19	19	16
iii	73	83	75	14	72	69	72
AREA							
Kingston/ St. Andrew	37	43	26	5	39	38	33
Remainder of Jamaica	63	73	74	14	61	59	67

* i = Professional, supervisory, skilled craftsmen, technicians

ii = Semi-skilled occupations

iii = Unskilled labourers, manual service occupations.

† From 1973 **Jamaica Radio Survey**, revised ed., Kingston: Market Research Jamaica Ltd., March 1974.

Radio Jamaica and Rediffusion Ltd., RJR, the island's first commercial radio station, is 70% owned by Rediffusion of England. Franchised in 1951, it commands an average of 79% of the total radio audience. The Jamaica Broadcasting Corporation, the JBC, is a wholly-owned statutory corporation of the government of Jamaica. However, although government-owned it depends entirely on commercial advertising for its operating revenue. JBC-TV is the only electronic media monopoly in Jamaica being wholly owned by the government and operating with a franchise similar to that of JBC radio. It is essentially a commercial though ostensibly non-profit-making operation.

For all that, commercial mass media in all capitalist societies are an integral part of the market economy. The myth that rationalises their *raison d'être* is that they serve the public interest by providing relevant news, information and community service. Given the importance of communications in modern society, to some extent this is certainly true. However, the central function of the mass media in all capitalist societies, like that of any other enterprise, is to make money, and specifically to provide the psychological infrastructure that allows other industries to make money. The mass media of communications are a vital industry within consumer economy, being used

essentially to advertise goods and services within the profit-making milieu. Disseminating news and information and providing entertainment are ancillary functions to this primary purpose.

TABLE II

	Total Jamaica		Kingston/ St. Andrew		Remainder of Jamaica	
	%	'000	%	'000	%	'000
HOMES WITH RADIO	88	408	89	135	87	273
RADIO SETS OWNED:						
Radio sets in the home		501		177		324
Car radios		27		13		14
TOTAL		528		190		338
TYPE OF SET*						
Electric	25	132	31	55	14	45
Battery	75	396	69	122	86	279
PROPORTION OF SETS TRANSISTORISED*	75	297	62	110	83	269
ESTIMATED NO. OF ADULTS WHO LISTEN ON AN AVERAGE DAY		857,000		281,810		575,190
PERCENTAGE OF ADULT POPULATION	76		74		77	

*excluding car radios

This point is no longer debated among economists, be they conservative or radical, since it has long been recognised and accepted that

“Advertising affects demands . . . by altering the wants (of people) themselves. The distinction between this and altering the channel through which existing wants are satisfied, although obscured in practical application by the fact that the two are often mingled, is perfectly clear analytically. An advertisement which merely displays the name of a particular trademark or manufacturer may convey no information: yet if this name is made more familiar to buyers they are led to ask for it in preference to unadvertised, unfamiliar brands. Similarly, selling methods which play upon the buyer’s susceptibilities, which use against him laws of psychology with which he is unfamiliar and therefore against which he cannot defend himself, which frighten or flatter or disarm him—all of these have nothing to do with his knowledge. They are not informative; they are manipulative. They create a new scheme of wants by rearranging his motives.” (Baran and Sweezy, *Monopoly Capital*, p. 117.)

Any Jamaican subjected to the bombardment of the media in the nation will recognise the validity of the foregoing. For the uninitiated and the sceptical a glance at Table III will confirm it. RJR and JBC (AM) broadcast a combined total of 302¾ hours per week. Of that, 25 hours are devoted to news and commentary. That is, 8.25% of radio broadcast time provides the listener with straight information, ostensibly one of the primary functions of the mass media of communications. Between the two stations, 15½ hours of public affairs programming (Public Eye, Palaver—JBC; and Exposure—RJR, etc.) suffice for the week. That is, 5.1% of weekly broadcast time. As a Christian country of course, both stations find it prudent to provide listeners with 17¼ hours of weekly religious programming, 0.8% more time than is allotted to public affairs. Eighty per cent or 215¼ hours of all air time on AM radio is devoted to entertainment consisting of soap operas, quizzes and North-American-style disc jockey programmes, etc. These 215 hours lend themselves admirably to the central task of conning the gullible public to conspicuous consumption. The three minutes or so

that it takes to play a popular disc is just enough time to give the listener a respite from the last message from a sponsor. Occasionally, the listener is given the extra-special treat of "two-in-a-row". The price of such a "treat" however is that it is invariably followed by five messages in a row.

Although television broadcasts fewer hours per week, the situation there is little better than in radio. 30% of TV viewing time is given over to news, education and public affairs generally, and 70% to entertainment. The former includes such programmes as Sesame Street, Into the Light (JAMAL), Focus, Firing Line, Sunday Report, News, Sports and Weather, etc. Entertainment is primarily imported third-rate left-over North American serials and film stock.

An even more telling situation prevails in the non-electronic media, the daily newspapers. On any given day approximately 64.3% of the **Daily Gleaner's** pages are devoted to advertisements of one sort or another. The remainder, 35.7% is divided between news, editorials, commentary and entertainment. More precisely, 35.7% of the **Gleaner's** pages are divided between what the public is made to believe are the central purposes of the newspaper. The **Daily News** is only better in this regard because it has to compete with the firmly entrenched **Daily Gleaner**. On any given day it devotes approximately 30% of its pages to advertising.

A key supporting role of these primary activities of the mass media of communications in Jamaica is provided by the advertising industry. That commercial advertising is big business in Jamaica, and is an integral part of the island's capitalist economy is demonstrated by the fact that in 1974 \$12 million were spent on mass media advertising alone. Of the eighteen advertising agencies in Jamaica, the three largest, McCann Erickson, Dunlop Corbin Compton, and LNCK are foreign-owned—the first two wholly foreign-owned. And approximately 70% of the smaller wholly-owned Jamaican agencies have come into existence since 1972.

The multi-national agency subsidiaries make a specialty of servicing accounts of transnational corporations operating in Jamaica. This is only one of the many ways that the advertising industry together with the mass media put a strain on the country's foreign reserves. In fact so fertile a field is the Jamaican economy for foreign-made and/or patented products that one agency, Lonsdale Hands, was established in the island for the specific purpose of servicing the Carreras Tobacco Company's account.

Since radio is the most popular medium of mass communications in Jamaica, and RJR the most popular radio station, it is not surprising that that station controls 40% of the media advertising market in Jamaica. It is followed as would be expected also, by the **Daily Gleaner** with 32%; JBC Television 20% and JBC radio together with the **Daily News** the remaining 8%.

Of the \$12 million spent on advertising the communications media take in some \$9.6 million or 80%, the remainder going to the advertising agencies. This means that RJR's intake from this single source alone in 1974 was approximately \$3.84 million; the **Daily Gleaner** some \$3 million; JBC-TV \$1.92 million; and the two small-timers, JBC radio and the **Daily News** together, \$768,000.

A number of pertinent conclusions can be drawn from the above. First, it is obvious that in the absence of clear governmental guidelines for the operation of the mass media of communications in Jamaica, the media operate in an unrestricted free market environment. This has significant implications for any governmental attempt to transform the national economy especially as such transformation affects the distribution of economic and social power within the society.

Because the media owners and managers are a part of the very *status quo* that would be threatened by the redistribution of power within the society, any serious governmental initiative to achieve such redistribution will meet resistance from them. Worker participation in industry, the establishment of co-operative farms, and state ownership of the "commanding heights" of the economy are all concepts which are threatening to these established and entrenched economic powers. If implemented on any wide scale they will necessarily alter the form that consumerism and competition now take in the society, for to rationalize the production of goods and services along

co-operative or collective lines is to dispense with the need for commercial advertising as it is presently understood and practised in the Jamaican economy. It is, in short, to undermine the \$12 million industry of the media owners and managers.

Too, since the product of the media—information—is critical to mobilization efforts for change, any government desiring to transform social and economic relationships in the society will have to contend with the inevitable counter-propaganda effects of the entrenched media in Jamaica, notably the *Daily Gleaner* and *RJR*.

Any effort at this stage by the governing party to redefine through legislation the parameters within which the mass media operate in Jamaica will be condemned outrightly as an infringement on the rights of the people to know, and of course as an impingement on freedom of the press. In the present Jamaican context, however, the concept of freedom of the press is a camouflage for the larger deception that is involved in the media owners' protecting their own economic self-interests. For freedom of the press cannot be divorced from the free-enterprise system that the media not only support but that supports the media to the tune of \$12 million per year.

All this, of course, poses an acute dilemma for the government of the PNP and its socialist intentions, for in order to disseminate its new ideology, it is dependent on generally hostile mass media, or in the case of its own outlet on the less listened to of the two AM radio outlets. If the output of government information is significantly increased on the government-owned media, both radio and television, the government runs the risk of being accused of manipulating its facilities to propagandise the people.

This calls into question the quality of the planning process that preceded the PNP's ascension to power in 1972. For, had a planned programme of information flow been worked out by the government prior to coming to power and announcing its socialist objectives, much of the present dilemma would have been preempted. The socialist transformation of a society cannot be achieved in any situation where the counter-propaganda of private economic interests is able to overshadow official propaganda, and that is the situation that prevails in Jamaica at the present moment.

The only alternative for the regime at this stage is to apply the principle of worker participation to the mass media of communications in Jamaica. That is, to treat the mass media for what they are—entrenched big business. Since a number of articles in this book deal with various models of worker participation in industry, how the government can accomplish this need not concern us here.

AGGREY BROWN